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Thursday
3rd September, 1953

PARLIAMENTARY DEBATES

HOUSE OF THE PEOPLE

OFFICIAL REPORT

(Vol. III contains Nos. 1—25)

(Part I—Questions and Answers)

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THE
PARLIAMENTARY DEBATES
(Part I—Questions and Answers)
OFFICIAL REPORT

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Thursday, 3rd September, 1953

The House met at a Quarter Past Eight of the Clock

[MR. DEPUTY-SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

OPHTHALMOLOGY

*968. **Shri M. L. Dwivedi:** Will the Minister of Health be pleased to state:

(a) the steps being taken by the Government of India to provide specialised training in Ophthalmology;

(b) whether any sums of money have been set apart for this purpose under the First Five Year Plan or in the current year's budget;

(c) if the answer to part (b) above be in the affirmative, what are the amounts and for what purpose;

(d) which of the States are rendering ophthalmic services to the country and whether they are getting any central assistance;

(e) whether the Central Government are patronising such efforts on the part of States; and

(f) the names of the institutions with up-to-date equipment?

The Deputy Minister of Health (Shrimati Chandrasekhar): (a) A statement showing the steps that are being taken by Government for providing specialised training in Ophthalmology is laid on the Table of the House. [*See* Appendix V, annexure No. 8.]

(b) and (c). No money has been set apart for this purpose under the First Five Year Plan. A sum of Rs. 1,50,000 is included in the current year's budget for payment to the Gandhi Eye Hospital Trust, Aligarh, for construction of buildings for the Institute of Ophthalmology for the provision of facilities to students working in the Hospital.

(d) and (e). All States except Himachal Pradesh, Bilaspur and Kutch are rendering ophthalmic services. No financial assistance is given by the Central Government.

(f) A statement showing the names of the institutions having up-to-date equipment is laid on the Table of the House. [*See* Appendix V, annexure No. 9.]

Shri M. L. Dwivedi: May I know whether the building work for the Institute of Ophthalmology in the Gandhi Eye Hospital, Aligarh, has started, and if so at what stage the matter stands?

The Minister of Food and Agriculture (Shri Kidwai): It has been started years ago.

Shrimati Chandrasekhar: I have no detailed information. If the hon. Member puts a separate question, I shall be able to answer.

Kumari Annie Mascarene: May I know whether Government have got any ophthalmological hospital in the capital city of Delhi?

Shrimati Chandrasekhar: From the statement, the hon. Member will find that there are three hospitals in Delhi —Irwin Hospital, New Delhi, the Lady Hardinge Medical College and Hospital, New Delhi, and Dr. Shroff's Charity Eye Hospital, Delhi.

Kumari Annie Mascarene: Are the Government aware that in these hospitals, excepting in the Shroff's hospital, the eye tests are taken by compounders? I am talking from experience.

Mr. Deputy-Speaker: We are talking of training in ophthalmology, not eye treatment. The hon. Member is straying away from one subject to the other.

Shri M. L. Dwivedi: May I know whether any recurring grant will be given to the Aligarh University for this purpose?

Shrimati Chandrasekhar: No, Sir.

Shri T. S. A. Chettiar: Have the Government any proposal to upgrade the courses of training, and if so is ophthalmology one of them?

Shrimati Chandrasekhar: Yes, Sir.

Shri T. S. A. Chettiar: Where is it going to be upgraded?

Shrimati Chandrasekhar: If the State Governments or institutions interested in ophthalmology apply to the Central Government, necessary steps will be taken for upgrading.

LOANS FOR PURCHASE OF FERTILIZER

*969. **Shri M. L. Dwivedi:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the manner in which the short term loan of Rs. 2·90 crores granted to ten State Governments to finance the purchase of the fertilizer from Sindri factory, is to be repaid;

(b) whether these short term loans are interest-free:

(c) if not, the rate of interest chargeable from such States as have received the loans:

(d) whether Government will place on the Table of the House a statement containing the amounts of loans Statewise up-to-date: and

(e) how it is ensured that the loan given is utilised for the purpose for which it is meant?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) The loans sanctioned for purchase and distribution of fertilisers are repayable on or before the 30th June, 1954.

(b) No.

(c) 3·125 per cent. per annum.

(d) A statement giving the required information is placed on the Table of the House. [*See* Appendix V, annexure No. 10].

(e) This is ensured by the fact that loans are sanctioned only on the basis of actual despatch instructions and the debits for the cost of the fertiliser have to be accepted immediately by the State Governments against these loans.

Shri M. L. Dwivedi: Are the loans which have been advanced to these States repayable annually, or after a long number of years?

Dr. P. S. Desmukh: They are repayable in the course of the year, but the period is long enough, up to 30th June of the next year.

Shri M. L. Dwivedi: May I know whether the entire loan has been utilised for the purchase of fertilisers, and whether the fertilisers purchased have been utilised in all the States?

The Minister of Food and Agriculture (Shri Kidwai): The reply has already been given that the loan is not given in cash, but fertilisers of that value are supplied. And they are to be given on credit to the agriculturists. Every year we get a return. This year the loan amount has been increased. It is not Rs. 2·90 crores as has been stated in the question, but about Rs. 8 crores, out of which about Rs. 4·8 crores have already been utilised.

Shri T. N. Singh: Are the Government aware that the Grow More Food Inquiry Committee recommended that all such short-term loans should be realised by 30th June, in view of the seasonal factors which enable the farmers to pay, and after the crops are ready? What steps have the Government taken in this matter?

Shri Kidwai: It was stated earlier that the loans are repayable by the 30th June of next year.

Shrimati Tarkeshwari Sinha: Is it a fact that a large stock of fertilisers is lying unused with some of the State Governments, and if so what steps are the Government taking to utilise it?

Shri Kidwai: I think the State Governments have accepted the loans, and the loans are to be repaid by the 30th of June next year, and it should be therefore their duty to see that these stocks are utilised, and they are able to pay back the loans in time.

Shrimati Renu Chakravartty: Have any principles been laid down by the Government of India as to the terms and conditions, whereby poor peasants can take these fertilisers from the State Governments?

Shri Kidwai: The terms and conditions are that these fertilisers are supplied on credit, and the collection is made after the crop has been harvested.

Shrimati Renu Chakravartty: May I know whether it is possible for an agriculturist who has no land, but who is a share-cropper, to take these fertilisers on credit?

Shri Kidwai: It is possible for every one who cultivates, to take it on credit.

Kumari Annie Mascarene: May I know what amount has been loaned to the Alwaye Factory, and whether they have begun to repay?

Mr. Deputy-Speaker: That does not arise out of this. This question relates to loans for agriculturists. Alwaye Factory is not an agriculturist. It may be an interesting question, but does not arise out of this question.

Shri Sarangadhar Das: May I know whether in any State, the Imperial Chemical Industries or some other company acts as the agent for marketing these fertilisers, and if so how do they give it on loan to the peasants?

Shri Kidwai: At present, the distribution is in the hands of the State Governments. The Fertiliser Factory proposes to organise a marketing board. Arrangement will be made to see that these credit facilities will continue. But a decision is yet to be taken about the creation of a marketing board.

Shri Sarangadhar Das: Do the Government have any information as to how it is being marketed in Orissa?

Shri Kidwai: I think Orissa will follow what will happen in other States.

Dr. P. S. Deshmukh: May I clarify the point? These loans are not available to firms. Government of India do not give any loans to any firms.

Shri Punnoose: Short-term credit is arranged for the States to purchase from the Sindri Factory. May I know whether any arrangement for credit has been made in the case of other factories?

Shri Kidwai: I think the hon. Member has not been following the questions answered here from time to time. All the fertilisers produced in the country or imported from outside are pooled together, and their distribution rests in the hands of the Food Ministry here. They distribute to the different State Governments. Therefore there is no question of giving separate credit facilities for the other factories.

Shri N. M. Lingam: May I know the names of the States which have not availed of the short-term loan?

Dr. P. S. Deshmukh: There is no State, I believe, which has not availed of it. The position is, for the time being—I think my hon. friend is anxious about Madras—the Madras Government have a big stock with them, and so they have not yet probably taken any loan so far. As soon as they utilise these existing stocks, a loan may be necessary.

Shri B. K. Das: By what time are the cultivators including the sharecroppers required to pay the price of these fertilisers, and may I know whether it is in the form of produce or cash money?

Shri Kidwai: Some States may accept produce, and some others cash money. But we have stipulated that the loans should be repaid by 30th June 1954.

Shri Sarangadhar Das: My question has not been answered. I wanted information about the marketing of fertilisers, and how the loans are given to the peasants, whether through the Government or through some other company.

Shri Kidwai: That has been explained just now. It is through the Government. But a scheme is under consideration that the fertiliser factory itself will create a marketing board, and then we will have to consider how the loan is to be advanced. Perhaps it will have to be done through the marketing board.

Shri Punnoose: May I know, Sir, why no short term credit facilities are allowed to States like Travancore-Cochin? Is it because they have not applied for them?

Shri Kidwai: We had provided for a loan of about Rs. 8 crores. Only Rs. 4·8 crores have been utilised. Whenever Travancore-Cochin wants any fertiliser and approaches us, it will be supplied.

ठाकुर जुगल किशोर सिन्हा : क्या सरकार ने इस बात का इन्तजाम किया हैं कि किस तरह की जमीन में किस तरह का फर्टिलाइजर डालने से फ़ायदा होगा इस की जानकारी किसानों को कराई जाय ?

श्री किदवई : खयाल यह है कि किसान खुद उस जमीन के लिये फर्टिलाइजर न लेंगे जिस का कोई इस्तैमाल न हो। लेकिन हर स्टेट में ऐग्रिकल्चर डिपार्टमेन्ट इस का इन्तजाम करता है और बतलाता है कि फर्टिलाइजर को कैसे यूज किया जाय; कहां यूज किया जाय और किस वक्त यूज किया जाय।

ठाकुर जुगल किशोर सिन्हा : क्या सरकार को मालूम है........

उपाध्यक्ष महोदय: नहीं मालूम है ।

Shri M. D. Ramasami: May I know, Sir, what steps have been taken to popularise fertilisers and with what result? May I also know what is the consumption for 1952-53?

Shri Kidwai: We are just now dealing with the consumption of loans. It is Rs. 4·8 crores.

NATIONAL HIGHWAYS

*970. **Prof. D. C. Sharma:** Will the Minister of **Transport** be pleased to state:

(a) the total amount spent for the development of National Highways in the States of the Punjab, PEPSU and Himachal Pradesh during the year 1952-53:

(b) the amounts allotted for these States for 1953-54; and

(c) whether it is contemplated to undertake any new constructions?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). A statement giving the required information is placed on the Table of the House. [*See* Appendix V, annexure No. 11.]

(c) Yes.

Prof. D. C. Sharma: I have not got the statement which is laid on the Table of the House, Sir. How can I ask questions? I think, Sir, such statements should be supplied to the person who has asked the question so that he can study them. Now the hon. Minister says that he has laid it on the Table of the House.

Mr. Deputy-Speaker: Now, the practice is this. Hon. Members who table questions will take care to go to the Notice Office. All the statements are given there in advance, and they are also put on the Notice Board saying these are all the questions for which answers have been laid at the Notice Office.

Shri T. K. Chaudhuri: May I point out, Sir, that somehow or other the practice of putting it on the Notice Board on the eastern side of the lobbey has been discontinued?

Shri V. P. Nayar: There is something else also, Sir. Only one copy is kept in the Notice Office and many Members want to go through it. We have hardly 15 minutes to go through it and sometimes the statements run to pages. It is not possible to go through them in the circumstances.

श्री पी० एन० राजभोज : दूसरी बात यह है कि बहुत से क्वेश्चन्स का जवाब टेबल पर रख दिया जाता है। उस से हम एक दम से कैसे पता लगा सकते हैं कि वहां क्या क्या है ?

उपाध्यक्ष महोदय: आप नहीं देखते हैं। बोर्ड पर सब कुछ है।

श्री पी० एन० राजभोज : यहां टेबल आफ दि हाउस पर देखने से क्या होता है ? हमें घर पर जवाब मिलना चाहिए।

उपाध्यक्ष महोदय: नोटिस बोर्ड पर देखने से पता चल सकता है। आप को यहां आ कर पुकार नहीं करनी चाहिये।

I will see to it that with respect to important statements about 6 copies are supplied to the Notice Office. I will also look into the shifting of the notice and putting up the notice here. I will look into all these.

Shri Gidwani: May I suggest, Sir, that a copy of the reply be sent previously along with the agenda?

Sardar A. S. Saigal: Sir, the time for supplementaries may not be taken up in this way. We can discuss this matter afterwards.

Mr. Deputy-Speaker: Very well.

Shri Gidwani: What I was submitting was that the statement may be sent to the Member who has sent the question along with the agenda.

Mr. Deputy-Speaker: That is not usual. Let me see.

Shri Alagesan: With your permission, Sir, I can read the statement. It is not a long one.

Prof. D. C. Sharma *rose*—

Mr. Deputy-Speaker: The hon. Member has not looked into the statement. How is he going to ask questions?

Prof. D. C. Sharma: I am going to ask a very simple question of the hon. Minister. What new constructions are we going to have in hand so far as these States are concerned? It is a very small question requiring a very small answer.

Shri Alagesan I did not follow the question, Sir.

Mr. Deputy-Speaker: The answer is in (c).

Shri Alagesan: I said 'Yes'.

Prof. D. C. Sharma: May I know, Sir, what is the new construction programme?

Mr. Deputy-Speaker: Order, order. The hon. Member has not looked into the statement. I cannot allow such questions. The time of the House cannot be wasted like this. Hon. Members must be more alert.

Prof. D. C. Sharma: But he is willing to answer, Sir.

Mr. Deputy-Speaker: No, no. I am not going to allow it in spite of the fact that the hon. Minister is willing to answer. The time of the House is not exclusively in the hands of the Minister.

Shri Heda: May I know, Sir, what is the principle that is applied while making allotments of money to the different States?

Shri Alagesan: Sir, it depends upon the needs and requirements of the various States. They make a report and then it is done.

Shri Nanadas: May I know, Sir, the total mileage of roads tarred and cemented in Punjab, PEPSU and Himachal Pradesh during 1952-53?

Shri Alagesan: I would require notice.

Shri N. M. Lingam: May I know, Sir, if the tempo of Expenditure on the construction of national highways in these three States is in accordance with the schedule envisaged in the Five Year Plan?

Shri Alagesan: Yes, Sir.

Shrimati A. Kale: May I know, Sir, whether Madhya Pradesh comes into the picture in this?

Mr. Deputy-Speaker: Madhya Pradesh is not in the question at all.

Shri M. D. Joshi: May I know, Sir, the total mileage of new national highways contemplated to be constructed in the year 1953-54?

Shri Alagesan: For that also, I would require notice.

BRIDGES IN PUNJAB

*971. **Prof. D. C. Sharma:** Will the Minister of **Transport** be pleased to state:

(a) whether any new bridges are going to be constructed in the Punjab during the next three years: and

(b) whether the Central Government have received any representation in this connection?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) It is presumed that the question relates to the National Highways in the Punjab for which the Government of India have accepted financial liability provisionally. A number of bridges on these highways are proposed to be constructed during the next three years.

(b) No.

Prof. D. C. Sharma: May I know, Sir. if the Government of the Punjab have sent a representation to the Ministry here to the effect that a bridge at Soan near Una is a great necessity for several reasons?

Shri Alagesan: Yes, Sir; that bridge is on a State highway and as such, we cannot take any responsibility for the construction of that bridge.

Prof. D. C. Sharma: May I know. Sir. if the Government of India have received any representation from the Punjab Government that a bridge near Guler in the Kangra district is a great necessity because it has some strategic importance?

Shri Alagesan: Yes, Sir. But it is on a State highway and not on a national highway.

Prof. D. C. Sharma: May I know, Sir, if the Government of India have received any representation from the Government of the Punjab that a bridge near Dera Gopipur is a great necessity on account of its trade and strategic importance?

Mr. Deputy-Speaker: How does he expect the hon. Minister to remember all these places and bridges thereon?

Prof. D. C. Sharma: The hon. Minister is in charge of transport over the whole of this country and he should know all these things.

Shri Alagesan: It is on a State highway, Sir.

BLOODMEAL FOR MANURIAL PURPOSES

*973. **Shri S. C. Samanta:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether any attempts have been made to utilise animal blood from slaughter houses for manurial purposes;

(b) whether any experiments were carried out to find out the manurial contents in the blood:

(c) the estimated quantity of blood that can be gathered annually for this purpose in India: and

(d) the places in India where such bloodmeal is being used for manurial purposes at present?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) Yes. A note on the process of preparation of bloodmeal has been circulated to the States with the request to take steps to encourage its production. According to information available. bloodmeal is being prepared at Kanpur, Kakinada, Vijayawada, Guntur and Visakhapatnam.

(b) Yes. Investigations have revealed that bloodmeal is a nitrogenous organic manure containing 12—15 per cent. nitrogen.

(c) On the basis of the number of cattle slaughtered in the country, the total blood discharge is estimated at about 20/24,000 tons per annum.

(d) It is mainly used for plantation crops like tea and coffee in North-East and Southern India. It is also used for manuring fruit gardens and potato crop in Hyderabad and U.P.

Shri S. C. Samanta: May I know the percentage of the nitrogenous content in comparison with ammonium sulphate and whether it can safely replace ammonium sulphate?

Dr. P. S. Deshmukh: I do not see how the question about replacing arises, Sir. We want more quantities of both ammonium sulphate and bloodmeal: there is ample room for the use of both.

Shri S. C. Samanta: I wanted to know whether it can be used in any case instead of ammonium sulphate.

Dr. P. S. Deshmukh: The experts will have to be referred to. I would like to have notice of this question.

Shri S. C. Samanta: May I know whether there is any apprehension of the blood being putrefied before its use for manurial purposes and whether any steps are being taken to remove this difficultly?

Dr. P. S. Deshmukh: Sir. the I.C.A.R. has been experimenting on this and I am sure they must have evolved a process and given out how and when the bloodmeal should be used.

सेठ गोविन्द दास : इन कामों के लिये किन पशुओं का वध किया जाता है और क्या इस काम के लिए कुछ खास तौर से पशु मारे जाते हैं ?

डा० पी० एस० देशमुख : बिल्कुल नहीं। जो मारे जाते हैं उन का खून एकत्रित किया जाता है।

सेठ गोविन्द दास : और जो मैं ने अभी एक बात पूछी कि किन पशुओं का इस के लिए वध किया जाता है, गायों का, भैंसों का या बकरियों का ?

डा० पी० एस० देशमुख : यह जो पशु मरते हैं या मारे जाते हैं उन्हीं का खून एकत्रित किया जाता है।

श्री हेडा : खून से मैन्योर बनाने के वास्ते जिस मशीन की जरूरत होती है उस की कीमत ज्यादा होने की वजह से क्या कुछ म्युनिसिपैलिटियां आमतौर पर उस को खरीदना दरगुजर करती हैं, और क्या इस के लिए म्युनिसिपैलिटियों को किसी प्रकार की मदद देने के लिए एग्रीकल्चर मिनिस्ट्री सोच रही है ?

डा० पी० एस० देशमुख : हम ने तो स्टेट गवर्मेंट्स से विनती की है और इस में से मद्रास गवर्नमेंट ने चार म्युनिसिपैलिटियों में यह तरीका जारी किया है और वहां पर ब्लड मील हो रहा है।

HALF-YEARLY ARREARS REPORT

*874. **Sardar A. S. Saigal:** Will the Minister of **Railways** be pleased to refer to para. 4 of the Memorandum on the arrears in the internal check and unsatisfactory state of accounts on the Railways submitted by the Railway

Board to the Public Accounts Committee of 1951-52 and state:

(a) whether arrears of half-yearly arrears report from General Managers are being submitted to the Railway Board:

(b) if not, the reasons therefor; and

(c) whether the state of work about returns is normal, or heavy arrears are still being examined by the Railway Board?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes.

(b) Does not arise.

(c) The state of work is not yet normal, though tangible improvements have been made in the clearance of certain important arrears. A close watch continues to be kept by the Board on the progress made in this connection.

सरदार ए० एस० सहगल : क्या मंत्री यह बतलायेंगे कि रेलवे बोर्ड के हिसाब किताब का जो पबलिक एकाउंट्स कमेटी के मैमोरेन्डम के चौथे पैरे में था, अब कितना बकाया है तथा भीतरी छानबीन शुरू हुई है या नहीं ?

Shri Alagesan: I was not able to follow the question fully, Sir.

Sardar A. S. Saigal: May I repeat the question? : क्या मंत्री यह बतलायेंगे कि रेलवे बोर्ड क हिसाब किताब का जो पबलिक एकाउंट्स कमेटी के मैमोरेन्डम के चौथे पैरे में था, अब कितना बकाया है तथा भीतरी छानबीन शुरू हुई है या नहीं ?

The Minister of Railways and Transport (Shri L. B. Shastri): Will the hon. Member repeat his question again, Sir?

Kumari Annie Mascarene: We could not hear the answer, Sir.

Mr. Deputy-Speaker: They cancel each other. There was no question and there was no answer.

Hereafter I would advise that if hon. Ministers are not able to follow any question they must have another Minister or Parliamentary Secretary to help them. I cannot ask any hon. Member to repeat the question in English.

Shri L. B. Shastri: I did not follow the question, Sir. That was why I asked him to repeat it.

Mr. Deputy-Speaker: He repeated it once.

BIHAR-NEPAL ROAD

*975. **Sardar A. S. Saigal:** (a) Will the Minister of Transport be pleased to state how much time Government will take to complete the Bihar-Nepal road?

(b) Has the metalling of the road been done?

(c) What amount have Government spent over this road in their jurisdiction?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The hon. Member is presumably referring to the Muzaffarpur-Raxaul road. The road is at present motorable in fair weather. The improvement of this road to make it fit for all weather traffic is expected to be completed by the end of March 1957.

(b) It is proposed to black-top the entire road. Out of the total length of 78 miles, a length of about 29 miles has been black-topped so far.

(c) About Rs. 29 lakhs out of a total estimated cost of Rs. 61 lakhs.

सरदार ए० एस० सहगल : क्या नैपाल सरकार से इसके बारे में नैपाल की राजधानी

तक ले जाने के लिए कोई पत्र व्यवहार हो रहा है ?

रेल तथा यातायात मंत्री (श्री एल० बी० शास्त्री) : जी नहीं, अभी हमारा काम तो अपने मुल्क तक ही सीमित है। अगर नैपाल सरकार उसे आगे बनाना चाहती हो तो वह खुद बनायेगी ।

श्री भक्त दर्शन : क्या माननीय मंत्री महोदय बतलायेंगे कि क्या सरकार उत्तर प्रदेश से नैपाल जाने वाली मुख्य सड़कों के बारे में भी विचार कर रही है ?

श्री एल० बी० शास्त्री : सिर्फ एक यह खास सड़क है उस पर विचार हो रहा है, और विचार ही नहीं हो रहा है काम भी हो रहा है ।

Shrimati Tarkeshwari Sinha: May I know if it is a fact that the progress of this road has been greatly hampered by the dearth of labour recently and what is the reason for that dearth?

Shri L. B. Shastri: I think the work has progressed quite all right and there is no dearth of labour.

Shrimati Tarkeshwari Sinha: Is the Government aware that there were labour troubles in that area?

Shri Alagesan: We do not have that information.

FURNITURE FOR POSTS AND TELEGRAPHS DEPARTMENT

***976. Shri S. C. Samanta:** (a) Will the Minister of **Communications** be pleased to state whether it is a fact that the type and design of furniture used in Posts and Telegraphs Department offices are not uniform and standardised?

(b) If so, what steps do Government propose to take in the matter?

(c) Is it a fact that the minimum quantity of furniture required for newly-opened post-offices has not in most cases been supplied so far?

(d) When do Government expect to supply all the post-offices with necessary furniture?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes.

(b) Standard design of important items of furniture common to offices have been evolved and steps will be taken to replace old furniture office by office, gradually, beginning with the larger offices.

(c) In some extra-departmental branch offices opened towards the end of last financial year the minimum quantity of furniture has not yet been supplied.

(d) Within three months so far as the offices referred to in part (c) are concerned.

Shri S. C. Samanta: The type-designs of the P. and T. buildings have been evolved by the Ministry. May I know whether any alterations have been made in the type-designs of furniture for these offices?

Shri Raj Bahadur: With the evolution of type-designs for new post-office buildings, we are also going to effect uniformity in furniture type-designs.

Shri S. C. Samanta: Is it a fact, Sir, that the newly opened post offices, especially extra-departmental post offices, are being asked to secure furniture from the locality?

Shri Raj Bahadur: So far that has been the practice.

Kumari Annie Mascarene: May I know how many newly opened post offices are functioning without furniture?

Shri Raj Bahadur: I think the question should be the other way round. That means that if any complaint that any particular office is functioning without furniture has come to the notice of the hon. Member, I shall be grateful for that information, and then I will try to do the needful.

Kumari Annie Mascarene: Yes, Sir, in my State.

Shri Raj Bahadur: I will look into it, if specific information is given.

Mr. Deputy-Speaker: There seems to be a gulf always between the Ministers and the hon. Members. Every hon. Member is entitled to write to the Minister and bring to his notice such things without bringing them on the floor of the House except when it is a matter which has not been attended to (*interruption*).

The hon. Member cannot be a rule for himself. In case no redress is obtained, then certainly, this is the forum.

श्री पी० एन० राजभोज : जवाब जल्दी नहीं मिलता है मिनिस्टर महोदय की तरफ से, दो दो तीन तीन और चार चार महीने लग जाते हैं और जवाब ठीक तरह से नहीं मिलता है ।

Mr. Deputy-Speaker: You cannot always come here.

श्री राज बहादुर : मैं अर्ज करूंगा कि मेरी याद में माननीय सदस्य ने आज तक कोई पत्र मुझ को नहीं लिखा ।

श्री पी० एन० राजभोज : कभी पत्र डिप्टी मिनिस्टर के पास जाता है कभी मिनिस्टर के पास जाता है और ठीक तरह से जवाब नहीं मिलता है ।

Mr. Deputy-Speaker: Order, order please. Does the hon. Member want 15 minutes? I will adjourn other work of the House

Shri Nanadas: May I know, Sir, whether additional furniture is supplied whenever additional staff is appointed in the existing post offices?

Shri Raj Bahadur: We try to do so but our effort is necessarily limited by the lack of accommodation.

सरदार ए० एस० सहगल : अभी माननीय मंत्री महोदय ने बतलाया कि पुराना फरनीचर बदला जायगा । तो उस के बदलने में सरकार को कितना रुपया खर्च करना पड़ेगा ?

श्री राज बहादुर : जैसा मैं ने अभी निवेदन किया कि जो हमारे बड़े बड़े दफ्तर हैं उन में हम नया फरनीचर दे रहे हैं और जो पुराना फरनीचर होगा उस को हम उन दफ्तरों को देंगे जो कि नये खोले जा रहे हैं । इसलिए इस में ज्यादा खर्चा करने की बात नहीं आती है ।

EDUCATIONAL FACILITIES FOR CHILDREN OF RAILWAY EMPLOYEES

*977. **Shri S. C. Samanta:** Will the Minister of **Railways** be pleased to state:

(a) what arrangements have been made for the education of the school-going children of Railway employees working at way-side stations:

(b) whether there was any proposal to establish subsidised hostels at various suitable educational centres:

(c) if so, how many and where such hostels have been established so far; and

(d) the number of students accommodated in those hostels?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Class III Railway employees working at way-side stations are granted educationl assistance for sending their children to the nearby towns and cities for the purpose of education.

(b) Yes, Sir.

(c) and (d). The matter is under consideration.

Shri S. C. Samanta: May I know, Sir, whether there is any hostel arrangement for the students and whether any subsidy is given for the education of the children?

Shri Alagesan: Yes, Sir. Education assistance is being given to sons of Class III Railway employees which takes the shape of part payment of their school fees and boarding charges.

Shri S. C. Samanta: May I know, Sir, whether the proposal that State Governments should take up the education responsibilities of the Railway employees has been finalised or whether Government is going to open new schools?

Shri Alagesan: The Government are already running a number of schools. More is being done for the benefit of Railway employees' children. This has a reference to hostels that we propose to establish.

Shri K. K. Basu: May I know, Sir, whether these education facilities are going to be extended to the children of Class IV staff also?

Shri Alagesan: Yes, Sir, the hostels.

Shri Nanadas: May I know, Sir, whether Central Government gives any aid to a local Board School if it admits a number of railway employees' children?

Shri Alagesan: I do not think, in all cases.

Shri S. V. Ramaswamy: Are free Railway passes given to school-going children of Railway employees?

Shri Alagesan: Yes, Sir.

Shrimati Renu Chakravartty: May I know, out of the hostels that are being proposed how many are now under consideration of the Government and in what regions are they?

Shri Alagesan: We are having the proposals examined to establish two hostels as an experimental measure on the Central and Eastern Railways.

Shri Veeraswamy: May I know, Sir, whether there is a hostel attached to the Railway High School at the Golden Rock?

Shri Alagesan: As I said, the hostels are to be established on the Central and Eastern Railways.

Shri Nanadas: May I know, Sir, the number of students for whom the facilities will be provided?

Shri Alagesan: That is under consideration.

COMMITTEE ON RAW JUTE

***978. Shri L. N. Mishra:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the committee appointed to inquire into the problem of raw jute has submitted its Report; and

(b) if so, what are its findings and recommendations?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) Not yet

(b) Does not arise.

STORING ARRANGEMENTS FOR FOODGRAINS IN BOMBAY

***979. Shri Gidwani:** (a) Will the Minister of **Food and Agriculture** be pleased to state whether it is a fact that the arrangements for storing Central Food Stock in the Central godowns at Bombay are inadequate?

(b) Is it a fact that there was congestion of imported foodgrains in the godowns in the year 1953?

(c) is it a fact that last year there was considerable waste of foodgrain stocks during the monsoon owing to the inadequacy of storing arrangements?

(d) What steps have been taken to remove the surplus stock to avoid congestion?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) Arrangements for storage of imported grains arriving at the Bombay Port were made not only in Bombay, but outside Bombay also, and the storage space at the disposal of the

Government for this purpose was not inadequate.

(b) There was no congestion in the godowns in Bombay, though occasionally, owing to a time-lag between arrival and movement by rail, a larger stock had to be held temporarily in Bombay than was planned.

(c) On 13-6-1952, there was a rainfall of 4½ inches in an hour in Bombay, and on this date water percolated through valleygutters in the roofs of a couple of godowns, resulting in damage to 90 tons (900 bags) of grain.

(d) As stated in reply to part (a) above, the storage accommodation has been secured in depots in the interior also so as to prevent any congestion in the godowns in Bombay.

Shri Gidwani: Sir, it was stated that 900 bags of grains were damaged owing to the rains. May I know, Sir, what became of that grain? Was it distributed among the people or destroyed?

Shri M. V. Krishnappa: When the grain loses food value it is used either for cattle fodder or for starch manufacture.

Shri Gidwani: Sir, the reply is not clear.

Shri M. V. Krishnappa: Will the hon. Member kindly repeat his question?

Mr. Deputy-Speaker: The hon. Member's question is simple, "what has been done with respect to these 900 bags?"

Shri M. V. Krishnappa: It has been disposed of.

Mr. Deputy-Speaker: For human consumption?

Shri M. V. Krishnappa: No, Sir. We sell it when it loses its food value.

Mr. Deputy-Speaker: But what has happened in this case?

Shri M. V. Krishnappa: It has been auctioned.

Shri N. M. Lingam: May I know, Sir, whether the Government Entomologist has certified this stock as unfit for human consumption?

Shri M. V. Krishnappa: No, Sir. If our technical assistants certify that it is not fit for human consumption it is sold out.

Kumari Annie Mascarene: May I know, Sir, whether these 900 bags are of rice or of wheat?

Shri M. V. Krishnappa: I cannot give the details.

Shri Sarangadhar Das: If the lot has been auctioned what is the way for the Government to know whether it is being auctioned for human consumption or for animals?

Shri M. V. Krishnappa: Will the hon. Member repeat his question?

Shri Sarangadhar Das: If it is a fact that this lot of damaged food-grain has been auctioned. what guarantee is there that it will not go for adulteration purposes or for consumption by human beings as it is?

Shri M. V. Krishnappa: Whenever our Entomologist, attached to the Food Ministry, certifies that a certain percentage of the grain is damaged by rain or water and that it is not fit for human consumption it is auctioned either for starch manufacture or for cattle feeding. Since the entire ration distribution is in the hands of the Government. there is no question of adulterating food-grains in Bombay or in Calcutta.

Shri K. K. Basu: Can the Government assure the House that this auctioned food-grain is not sent out to rationed areas and mixed with other foodstuffs for human consumption?

Mr. Deputy-Speaker: I would urge upon hon. Members not to ask for assurances. They should put only questions. Are any safeguards taken to see that it is not used for human consumption?

Shri K. K. Basu: Yes. Sir. I would like to change the language.

Shri M. V. Krishnappa: We will supply such grain only to starch manufacturers and the other people can purchase the grain for cattle feeding.

Shri Gidwani: Was it certified unfit for human consumption before it was auctioned?

Shri M. V. Krishnappa: It has been answered already.

Shri A. M. Thomas: In the last Session of Parliament the hon. Minister stated that when complaints reached him from Bombay to the effect that there were inadequate storage arrangements there, he immediately went to the city and made arrangements. Has this accident happened subsequent to that or before that?

Mr. Deputy-Speaker: It is not want of accommodation: it is because of excessive rains.

Shri M. V. Krishnappa: I do not know.

Shri T. N. Singh: If these 900 bags were certified as unfit for human consumption why was it not used by the Government themselves?

The Minister of Food and Agriculture (Shri Kidwai): It has been clearly stated that our Technical Adviser said that this is unfit for human consumption and can be used only as cattle feed or for manufacture of starch. Therefore, it was auctioned.

Shri V. P. Nayar: The hon. Minister was repeatedly telling the House that it was certified by the Entomologist, as unfit for human consumption and it was auctioned. May I know, Sir, why an Entomologist who is an expert on insects is asked to certify about the food, the quality of the food and the possibility of consumption of that food etc?

Shri Kidwai: He clearly stated that our Technical Adviser gave us advice that it is not fit for human consumption.

ALDRIN

***980. Shri Gidwani:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that Aldrin a new insecticide, has been used during locust campaign in the Rajasthan area;

(b) if so, its results; and

(c) whether it produced any ill effects on human beings or animals?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) Yes.

(b) A statement is placed on the Table of the House.

(c) No. But it may have a cumulative effect, yet unknown.

STATEMENT

The results of the use of Aldrin for locust control operations.

Aldrin has been used on resting swarms and hoppers of all stages in doses of 5·33 and 3·39 oz. per acre respectively. It proved highly toxic. Mortality in the case of adults was about 75 per cent. while in the case of hoppers cent per cent kill was obtained. The residual effect of this insecticide is fairly long. This property of the chemical is of great advantage in locust control. Locusts passing through sprayed vegetation will die either by mere contact or as a result of eating, while egg-laid areas can be re-treated with aldrin in expectation of the emergence of hoppers.

Shri Gidwani: Sir, it is said that aldrin has been proved to be highly toxic and that locusts passing through sprayed vegetation will die either by mere contact or as a result of eating. May I know, in regard to part (c), whether it has produced any ill-effects on animals which move through these areas or eat sprayed vegetation?

Shri M. V. Krishnappa: No bad effect on animals or human beings has been reported, although it has been very extensively used on wide areas.

Shri Raghavaiah: Are the Government aware that by the use of such insecticides, the officers in charge of the anti-locust campaign are reported to have said that laryngitis is likely to be one of the diseases from which human beings who breathe that air are likely to suffer when attacked?

Mr. Deputy-Speaker: That is answered in part (c) of the question.

Shri M. V. Krishnappa: We have not received any such report.

REDUCTION IN PRICE OF SINDRI FERTILIZER

***982. Shri Gidwani:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the attention of Government has been drawn to a news item published in the 'Times of India', Bombay edition, dated the 18th June, 1953 to the effect that owing to the reduction in the price of ammonium sulphate and the rebate allowed to State Governments on their purchases, there may be considerable loss to the Government of India; and

(b) if so, what is the estimated amount of loss?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) Yes. It is the Government's policy to reduce progressively the price of sulphate of ammonia so as to make its use profitable for the rice grower. In reducing the pool price this year to Rs. 290 from Rs. 365 in the previous year, a rebate was given to State Governments on stocks held by them in the beginning of the year.

(b) About Rs. 50 lakhs.

Shri Jaipal Singh: The hon. Minister said that it is the Government's policy to reduce progressively the price of ammonium sulphate. In this particular instance, is it not a fact that they have been compelled to reduce the price because there has been an accumulation of undisposable stock?

Dr. P. S. Deshmukh: No, Sir. That was not the compelling fact.

Shri C. D. Pande: Are the Government aware that even after the reduction of prices of the fertilisers, the Japanese fertilisers are being sold cheaper than the internal fertilisers in the country?

The Minister of Food and Agriculture (Shri Kidwai): The hon. Member knows, I suppose, that the Japanese give some subsidy on their export. I understand that their prices are not less than the prices of the product from the Sindri factory. At that price, it is being sold in Japan. We don't have the Japanese figures at present.

Shri Sarangadhar Das: May I know whether the price of fertilisers manufactured at Sindri is determined by taking the cost of production overall cost—plus some margin, or whether it was arbitrarily fixed at something like Rs. 360. now reduced by about Rs. 80?

Shri Kidwai: The hon. Member has enunciated the principle of fixing the price correctly. Now that the production is going up, prices are now going down.

Shri R. K. Chaudhury: Is it a fact that the supply of fertilisers to the State of Assam is made through Calcutta as a result of which we in Assam have to pay much higher prices than the prices obtaining elsewhere?

Shri Kidwai: The fertilisers are supplied, I think in every case, to Assam Government direct from Sindri. I think that the hon. Member has in mind the supply to the tea gardens of Assam, for which a contract was made with a firm in Calcutta for supply to the tea gardens. Now that thing will be remedied.

Shri R. K. Chaudhury: Are the Government aware that the supply through Calcutta is more expensive than the supply direct from Sindri?

Shri Kidwai: I agree.

Shri T. N. Singh: What is the price of fertilisers from Japan, and the ex-factory price of Sindri? How do they compare?

Shri Kidwai: I have stated that Japan's price is not before us. But I understand that the prices offered for the Japanese cultivators and our internal prices compare favourably. But in Japan, they subsidise their export, and therefore it is exported at cheaper rates.

Shri T. N. Singh: I have not been answered.

Mr. Deputy-Speaker: He has answered.

Shri T. S. A. Chettiar: Was the amount of Rs. 50 lakhs with reference to the sale price or is it a net loss to the Sindri factory?

Shri Kidwai: There is no net loss. The Food Ministry and the fertiliser pool have earned some profit by the past sales. I think the profit was about Rs. 90 lakhs. Rs. 40 lakhs have been made available for fixing up the price this year.

Shri K. K. Basu: May I know whether as a result of the reduction in price, the off-take has increased?

Shri Kidwai: That is true.

Shri Dabhi: May I know the difference between the price of the imported fertiliser from Japan and our fertiliser?

Dr. P. S. Deshmukh: I would like to have notice. Speaking from memory, I think the price of the imported fertiliser comes to Rs. 240 or so.

विकास बोर्ड

*९५४. **सेठ गोविन्द दास :** क्या स्वास्थ्य मंत्री यह बताने की कृपा करेंगी कि क्या दिल्ली और नई दिल्ली के विकास के लिए केवल एक ही विकास-बोर्ड बनाया जा रहा है ?

The Deputy Minister of Health (Shrimati Chandrasekhar): The matter is under consideration.

Seth Govind Das: May I know how long has this matter been under consideration?

Shrimati Chandrasekhar: I think for the last two years.

NATIONAL HIGHWAYS

*985. **Shri Jhulan Sinha:** Will the Minister of Transport be pleased to state the progress made in the execution of the original works on the National Highways in Bihar during 1952-53?

The Deputy Minister of Railways and Transport (Shri Alagesan): The total sanctioned cost of the original works on National Highways in Bihar which were in progress during 1952-53 was about Rs. 165 lakhs. The expenditure incurred on those works during 1952-53 was about Rs. 37 lakhs.

Shri Jhulan Sinha: May I have an idea as to the time to be taken to complete these works?

Shri Alagesan: Several works have already been completed and other works are in progress.

RUNNING STAFF

*986. **Shri T. K. Chaudhuri:** (a) Will the Minister of Railways be pleased to state the channel of promotion for the Railway Loco Running Staff such as Engine Cleaners, Firemen, Shunters and Drivers?

(b) What are the grades through which men working in each of the above mentioned categories have to pass in order to qualify themselves for promotion to the next higher class?

(c) Are gradations for the channels of promotion uniform in all Railway Zones?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). A statement giving the information is laid on the Table of the House. [*See* Appendix V, annexure No. 12.]

(c) Yes, Sir.

Shri T. K. Chaudhuri: May I know Sir, whether the attention of the Government has been drawn to the demands in the resolution of the All-India Railway Running Staff Conference held at Madras in 1950 under the auspices of the All-India Railwaymen's Federation and particularly to the demand for the abolition of bottom-scales for drivers, firemen, brakesmen, cleaners and shunters and the removal of distinct scales for matriculates and non-matriculates and illiterates who perform the same work?

Shri Alagesan: Yes. Sir. But I have not yet seen any recommendation from that body.

Shri Frank Anthony: Have Government received any complaint from Loco Staff who were recruited under the then regulations as literates and had certain channels of promotion to the A Grade and B Grade, that they have now retrospectively been classed as semi-literate staff and their channels of promotion have been taken away from them on the Southern Railway?

Shri Alagesan: There are more channels of promotion provided. For those, that is, the category of people that the hon. friend has in mind, supernumerary posts have been created and they have thus been provided.

Shri Frank Anthony: Are Government aware of the fact that in the Ferozepur division, the illiterate loco staff there have been now lumped together with the literates and they have been superseded purely on the basis of the length of service?

Shri Alagesan: I require notice.

Shri T. K. Chaudhuri: Are the Government aware of the discontent among the running staff about their seniority being superseded by raw matriculates?

Shri Alagesan: The channels of promotion have been provided for people who have not studied up to the matriculation class. Even for them, channels of promotion have been provided. Shunters of Grade C can be promoted to shunters, Grade B, and to the drivers' grade.

Shri T. K. Chaudhuri: Have the Government taken into consideration the artificial distinction that has been created, and the heart-burning and grievances that have been created, owing to differences between people doing the same duties?

Mr. Deputy-Speaker: The facts have been elicited. We can't be discussing them.

DERAILMENT OF GOODS TRAIN NEAR KANPUR

***987. Shri Muniswamy:** (a) Will the Minister of Railways be pleased to state the total loss incurred by Government on account of the derailment of a goods train near Kanpur on the 27th of July, 1953?

(b) Were there any casualties and if so, how many?

(c) Was the matter investigated and if so, what were the causes?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Apparently the reference is to the derailment of 1211 Up Goods at Jhinjhak station on the Tundla-Kanpur Central Section of the Northern Railway, at about 0-31 hours on 27-7-1953. The approximate cost of damage to railway property as a result of this accident was Rs. 1,74,000/-.

(b) Two persons were killed and 3 were injured.

(c) An Enquiry was held by a Committee of Senior Divisional Officers of the Railway. *Prima facie* the accident appears to have been caused by the Driver running against signals.

Shri Muniswamy: May I know whether it is not a fact that derailments too often take place in Northern India as compared to the Southern railway?

Mr. Deputy-Speaker: Derailment goes on every day in Kanpur? The question is of such a general nature that it would not arise out of a question relating to an accident in Kanpur.

Kumari Annie Mascarene: May I know, Sir, what steps Government have taken to check constant derailments and accidents?

Shri Alagesan: All possible steps are being taken.

INDIAN TELEPHONE INDUSTRIES, BANGALORE

*988. **Shri Shivananjappa:** Will the Minister of **Communications** be pleased to state:

(a) the procedure of selection of officers in the higher administrative and technical posts in the factory and establishment side of the Indian Telephone Industries Ltd, Bangalore; and

(b) whether there are any rules to guide the selection and to judge the suitability or otherwise of candidates for such posts?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) A statement is laid on the Table of the House. [*See* Appendix V, annexure No. 13]

(b) Selection is ordinarily made on the basis of psychological and theoretical tests and an interview. The selected candidates are then subjected to a further practical test.

Shri Shivananjappa: May I know, Sir, how many Mysoreans are working in the higher administrative and technical posts in this factory?

Mr. Deputy-Speaker: I won't allow such questions. Questions on territorial or communal basis ought not to be asked.

श्री एम० एल० द्विवेदी : मैं जानना चाहता हूं कि इस बंगलौर टैलीफोन के कारखाने में सूबेवार कर्मचारियों की संख्या क्या है ?

Mr. Deputy-Speaker: सूबेवार is प्राविंशियलवार । It is almost a question of the same nature.

Shri Thimmaiah: Is it a fact that some of the important positions are occupied by the closest relatives of the Managing Director of the factory?

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Shri Raj Bahadur: I repudiate that insinuation; so far as we are aware, no closest relation of the Managing Director is employed.

Mr. Deputy-Speaker: Hon. Member must bring it to the notice of the Minister as to how the close relationship exists. Shri T. N. Singh.

Shri P. N. Rajabhoj *rose*—

Mr. Deputy-Speaker: Hon. Member, I am noticing is going on asking questions when other people have been asked to put questions. He will wait for his turn and I shall certainly call him, if he wants to put any question.

Shri T. N. Singh: May I know, Sir, whether Government have issued any instructions that relations of persons in authority should normally not be given preference or appointed?

Shri Raj Bahadur: That is a question which should be addressed to the Ministry of Home Affairs; Government servants are generally governed by rules and regulations framed by them.

Mr. Deputy-Speaker: As far as the hon. Minister is aware is there any rule that relations of persons in authority ought not to be appointed?

Shri Raj Bahadur: So far as I know there is no rule that relations should not be appointed. All appointments are made on the basis of efficiency and merit.

सरदार ए० एस० सहगल : क्या मैं यह जान सकता हूं कि जो पोस्ट्स, जगहें होती हैं, उन के लिये एडवरटाइजमेंट पूरे तौर से किया जाता है या नहीं ? यदि एडवरटाइजमेंट किया जाता है तो क्या जो प्रान्तीय सरकारें हैं उन के पास भी वह भेजा जाता है या नहीं ?

श्री राज बहादुर: ३०० रुपये से ज्यादा जिन की तनख्वाह है उन के लिये आल इंडिया बेसिस पर एडवरटाइजमेंट होता है । जिन जगहों की तनख्वाह २०० से ३०० रुपये तक

है, उन का एडवरटाइजमेंट मद्रास, बम्बई और मध्य प्रदेश में होता है। और २०० रुपये से कम जिन की तनख्वाह है उन का लोकल प्रेस में एडवरटाइजमेंट होता है।

Shri Jaipal Singh: May I seek a clarification on a ruling you gave a few seconds back? Some hon. Members asked something in regard to Mysoreans, on which you said you would not permit questions on communal lines.

Mr. Deputy-Speaker: That does not apply to Scheduled Tribes and Scheduled Castes.

Shri Jaipal Singh: I want a very clear ruling from you, Sir. Since according to the Constitution we have a right to demand information as to how many Scheduled Castes, how many scheduled tribes or how many backward classes are employed.

Mr. Deputy-Speaker: The hon. Member is begging the question. I have already said that in so far as the Constitution makes provision for the special welfare of Scheduled Castes and Scheduled Tribes. I have always allowed such questions and the Speaker has also been allowing them. But it has not been the practice to allow questions on a religious, communal or territorial basis. That is all my point.

श्री पी० एन० राजभोज : मैं यह पूछना चाहता हूं मंत्री महोदय से कि वहां शिड्यूल्ड कास्ट के कितने अफसर मुक़र्रर किये गये हैं ? ठीक से बताइये।

श्री राज बहादुर : इस की सूचना मेरे पास नहीं है।

Shri K. K. Basu: May I know whether the appointments are made on the basis of selection by an independent body like the Public Service Commission?

Shri Raj Bahadur: That information is contained in the statement that I have placed on the Table of the House. I may repeat for the information of the hon. Member that selections to posts carrying a salary of more than Rs. 300 per month are made by the Board of Directors, Staff Sub-Committee and those below by the Managing Director with the assistance of a Staff Selection Committee.

श्री एम० एल० द्विवेदी: अभी माननीय मंत्री महोदय ने पिछले एक पूरक प्रश्न के उत्तर में यह बताया कि कुछ जगहों का हिन्दुस्तान भर में एडवरटाइजमेंट होता है, कुछ का बंगलौर के आसपास होता है और कुछ का स्थानीय जगहों पर होता है। मैं जानना चाहता हूं कि जब यह टैलीफोन फैक्टरी पूरे भारतवर्ष के लिये है तो क्यों नहीं सब जगहों के लिये हिन्दुस्तान भर में एडवरटाइजमेंट किया जाता है ?

श्री राज बहादुर: मैं ने जो उत्तर दिया था उस का आधार यह है कि जो छोटी जगहें हैं, जिन की तनख्वाह २०० से कम है, उन के बारे में हम यह आशा नहीं करते कि दूर के लोग साउथ में जावेंगे। इसलिये वर्तमान में उन का विज्ञापन केवल आसपास की जगहों में किया जाता है। १०० रुपये या ६० रुपये की तनख्वाह पाने वाले व्यक्ति वहां ही मिल जाते हैं और वे सस्ते रहते हैं, उन को ट्रांसफर भत्ता वग़ैरह देने में किफायत हो जाती है।

Shri Jaipal Singh: May I again seek another clarification? Just now you were pleased to say that you would not admit questions for territory-wise information. I humbly submit we have a right to know whether in a Government factory or service there is an even break-up. Supposing I want to elicit information about a particular factory, as to whether there is in it an overall distribution among the different provinces in the services? Will you permit that question or will you rule it out?

Mr. Deputy-Speaker: All right, I will consider that matter.

COMPENSATION TO AIRCREW

***989. Shrimati Renu Chakravartty:** (a) Will the Minister of **Communications** be pleased to state whether the Airways (India) Ltd., has paid compensation to the aircrew killed in the Dakota freighter which crashed in Khasi Hills on the 14th April, 1953?

(b) Is this the established practice in such cases also to pay the gratuity and provident fund due to the victims to their families?

(c) Is it a fact that payment of compensation was withheld temporarily on the plea of impending nationalisation?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes, Sir. The three members of the crew *viz.* pilot, co-pilot and Radio Officer, were insured in accordance with the rules of the air Company for Rs. 20,000, Rs. 10,000 and Rs. 7,500 respectively, and the amounts due have been paid to the nominees of the Pilot and the Radio Officer. The insurance amount in respect of the Co-pilot has not yet been paid, as there are two claimants to the amount. The Company has also made an *ex-gratia* payment of Rs. 3,500 each to the widow of the Co-pilot and of the Radio Officer from whom requests for assistance had been received by the Company.

(b) Membership of the Provident fund in the Company was not compulsory and in the case of death of a member, the amount standing in his account was payable to the person who was shown in the nomination form of the member. The rules of the Company did not provide for any gratuity.

(c) No, Sir.

Shrimati Renu Chakravartty: May I know whether the claim was paid before nationalisation or after nationalisation of the company?

Shri Raj Bahadur: I cannot say exactly whether it was before nationalisation or after nationalisation, but it has been paid. In regard to the amount of Rs. 3,500, for a while the company hesitated and wanted some instruction from Government. Then, we permitted them to pay and that has been paid.

Mr. Deputy-Speaker: There is a short notice question in the name of Shri A. P. Sinha, Shri S. N. Das, Shri Nageshwar Prasad Sinha, Shri L. N. Mishra and Acharya Kripalani, on floods in Bihar. Mr. A. P. Sinha may put the question. The other hon. Members will have an opportunity of putting supplementary questions.

Short Notice Questions and Answers

FLOODS IN BIHAR

1. Shri A. P. Sinha: Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that a large area of north Bihar involving a population of over 10 millions has experienced an abnormally high flood this year;

(b) if so, the quantum of damages caused to the food products of the area, particularly to maize and paddy;

(c) whether it is a fact that the State Government of Bihar have approached the Central Government for some aid to meet the situation arising out of the damages caused to the food production of the area;

(d) if so, the nature of the aid sought by the State Government particularly in the shape of gratuitous relief, allotment of coarse and other kinds of cheap grains and subsidy in selling food grains to the affected population; and

(e) the aid that the Union Government have extended or propose to extend to the State Government?

The Minister of Agriculture (Dr. P. S. Deshmukh): (a) and (b). A copy of report received from the State Government on 1-9-1953 is laid on the

Table of the House which gives detailed information about the recent floods in North Bihar and the damage caused by them. [*See* Appendix V, annexure No. 14.]

(c) Yes.

(d) The State Government have requested the Government of India to sanction a grant equal to 50 per cent. of the total expenditure to be incurred on relief measures.

(e) As the request was received only on the 1st of this month the question of the extent of Central assistance to Bihar is under consideration.

Shri A. P. Sinha: Is it a fact that according to the estimates of the Bihar Government the damages to the Bhadai and paddy crops and to houses and house-hold property amount to Rs. 21,03,73,600 and that the actual damage may exceed this figure when full facts are ascertained?

Dr. P. S. Deshmukh: That is the statement made by the State Government in their report which they have submitted.

Shri A. P. Sinha: Is it a fact that the allotment made by the State Government over various heads of relief operations amounts to Rs. 1,16,31,230?

An Hon. Member: How many annas?

Dr. P. S. Deshmukh: That is also given in the penultimate paragraph of the report submitted by the State Government.

Shri A. P. Sinha: In view of the finances of the State Government having been very greatly strained on account of the large scale expenditure on scarcity relief during 1950-53 when the total expenditure amounted to Rs. 12 crores,.........

Mr. Deputy-Speaker: The hon. Member is giving more information than eliciting any. If he does not know any of these things he may elicit answers, and not give information in terms of rupees, annas, pies.

Shri A. P. Sinha: ......and in view of the sudden calamity of these unprecedented floods having accentuated the budgetary position of the State Government, will the Government of India give full consideration to these factors in providing adequate financial aid to the State?

Dr. P. S. Deshmukh: We will do our very best.

Shri L. N. Mishra: May I know whether it is a fact that a demand made by the Bihar Government for subsidy for the sale of foodgrains has been turned down by the Government of India while at the same time it has been extended to other States? If so, may I know the reason for this discrimination?

Dr. P. S. Deshmukh: Sir, I would require notice of this question.

Shri L. N. Mishra: May I know whether it is a fact that the price of rice in Bihar was the highest in India even before the floods and still no adequate quantity of rice was allotted to it, and do Government propose to allot additional quantities of rice to the State?

The Minister of Food and Agriculture (Shri Kidwai): The report from the Bihar Government was received only on 1st September, that is two days ago. Government will study it and take a decision.

Prof. S. N. Mishra: May I know whether it has been conveyed to the Government of India by the Bihar Government that the damage to crops and property by the recent floods is almost of the same extent or even greater than the Damage as in the 1934 earthquake?

Dr. P. S. Deshmukh: They have not made any comparison, but the specific figure of the assessment of the loss has already been given by the hon. Member.

Shrimati Sucheta Kripalani: May I know what steps the Government propose to take to prevent large scale demage to crops which occurs frequently in that area?

Shri Kidwai: When there are floods or scarcity of rains or excessive rains...........

Shrimati Sucheta Kripalani: We are talking of floods here.

Shri Kidwai: When there is flood or when there is scarcity of rain or excess of rain, damage to crop is bound to happen. I understand that the Bihar Government is trying to devise methods to prevent these floods.

Shrimati Sucheta Kripalani: How long will it take?

Mr. Deputy-Speaker: That is a general problem.

श्री बिभूति मिश्र : क्या मंत्री महोदय को यह मालूम है कि नार्थ बिहार में बाढ़ आयी है इस से क्या शुगरकेन में क्षति हुई है और अगर हुई है तो उस हालत में क्या सरकार शुगरकेन की प्राइस बढ़ाने की इच्छा रखती है ?

श्री किदवई : नार्थ बिहार में जो फ्लड आया है उस में अगर कोई क्राप बच गयी है तो वह शुगरकेन की क्राप ही बच गयी है ।

श्री बिभूति मिश्र : मैं ने यह पूछा था कि शुगरकेन को क्षति हुई है मा नहीं और वह कहते हैं कि वह क्राप बच गयी है । मैं तो यह पूछता हूं कि क्षति हुई है या नहीं ।

Shri S. N. Das: May I know whether deaths due to starvation have been reported and, if so, has any enquiry been made and what is the report?

Shri Kidwai: We have just heard how generously the Bihar Government is giving relief to the people, and I hope they will do all that is possible. And whatever help we can give, we will consider.

Dr. P. S. Deshmukh: Sir, there is no report of starvation deaths.

Shri S. N. Das: May I know whether deaths due to floods and starvation have been reported, whether any enquiry has been made and what is the result of the enquiry?

Shri Kidwai: There must have been some deaths due to floods, but there is no report about deaths due to starvation. But if the hon. Member has any information we will forward it.

Dr. P. S. Deshmukh: There is a report of the death of only four human beings on account of the floods, from the Report. But none of them is due to starvation.

Shri S. N. Das: May I know whether, due to the total destruction of the Bhadai crop and to a very large area of paddy fields having remained untransplanted, there are indications for a severe famine in the area? If so, may I know what steps are being taken?

Shri Kidwai: I have said that the report has been received only on the first of this month and has just been laid on the Table. The Bihar Government is doing its best to give relief, and whatever help they require in the matter of supply of food will be done.

Shri Bhagwat Jha: Is it not a fact that over and above the various grains that have been distributed, the need of the hour is to provide employment to the affected people; and if so, what measures do Government propose to take to provide employment to these affected people?

Shri Kidwai: I will forward this question to the Bihar Government.

Shri Bhagwat Jha: What is your contribution? Bihar Government will do its work.

Shri Kidwai: It is a matter for the Bihar Government.

Shri K. K. Basu: Pending final decision do Government propose to give some help to the Bihar Government in the shape of money or foodgrains?

Shri Kidwai: If the hon. Member reads the report he will find what sort of help they want and what sort of help we can give.

Shri T. K. Chaudhuri: May I ask if there is any information whether the flood water has receded?

Dr. P. S. Deshmukh: It has receded in many places.

Shri Kidwai: It is natural for it to recede.

Prof. S. N. Mishra: May I know whether any other part of India which has been flood-affected has got some assistance from the Government of India and whether it is a fact that Bihar's case is being delayed?

Shri Kidwai: The report from Bihar Government was received on the 1st of September, that is, two days ago. To say that it has been delayed is not justified. If there has been any delay, it has been on the part of the Bihar Government who took so much time to send the report.

Shri Nageshwar Prasad Sinha: I find from the statement that more than 5,000 villages have been washed away causing displacement to millions of people who have been reduced to penury. May I know what immediate steps have been taken to give them shelter, food and drinking water?

Shri Kidwai: I hope the hon. Member will realise that there is a local Government there in that State functioning very efficiently and very effectively and they are discharging their duties. Would the Members from Bihar like us to take over the administration and do all that is needed?

Some Hon. Members *rose*—

Mr. Deputy-Speaker: Next question. I am sorry; enough has been asked.

HIGH PRICES OF RICE IN WEST BENGAL

11. **Shrimati Renu Chakravartty:** (a) Will the Minister of Food and Agriculture be pleased to refer to the reply given to starred question No. 91 asked on the 4th August, 1953 regarding Modified Rationing in West Bengal and state whether Government are aware of the acute distress prevailing in West Bengal due to high prices of rice even after the reversal of gradual decontrol policy?

(b) Have any representations been received from the West Bengal Government on this subject?

(c) Are Government contemplating any measures to provide relief in the form of reduction in the price of rice?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) There is no widespread distress in West Bengal owing to high prices of rice. During this part of the year, which is the lean period for rice, there is always a seasonal rise in the prices of rice. The modified rationing has been introduced in various districts with a view to checking the prices, rising unduly high, and the fact that only 14·8 per cent. of the eligible population are taking advantage of the modified rationing, as against 30·7 per cent. during the corresponding period of 1952, clearly indicates that there is no widespread distress in West Bengal.

It may be added that after the removal of district cordons, while the prices in the surplus districts have gone up to some extent, there has been a substantial fall in the prices in the deficit districts, as compared to the prices prevailing in 1952.

(b) No Sir.

(c) The introduction of modified rationing in deficit pockets ensures supply of rice to population with lower income at control price. This also has a salutary effect on the general market prices as demand of a certain section of the population, who are served through modified rationing, is withdrawn from the open market.

Shrimati Renu Chakravartty: May I know if the Government have been informed that in many areas of Sunderbans 40 per cent. of the people are unable to draw their rations and that is the reason for the lowering of the off-take as reported by the hon. Deputy-Minister?

Shri M. V. Krishnappa: It is not a question of the lowering of off-take. What I have said in reply to this question is that though we are prepared to give, they are not making use of that concession.

Shrimati Renu Chakravartty: Is not that off-take? He has given us figures which show that the off-take has come down. Has the Government been informed that it is because of the lower purchasing power of the people that this has come about?

The Minister of Food and Agriculture (Shri Kidwai): I think the hon. Member is not correct. Last year, on account of distress in that area, modified rationing was introduced. The people using these modified rationing shops were about 30 per cent. of the population. This year, the same system has been introduced. We find that the number coming to these shops has come down as compared with last year because the prices in the open market this year are much lower than they were last year.

Shri T. K. Chaudhuri: What is the trend of prices during the second, third and fourth weeks of August that have just passed ?

Shri Kidwai: I have got information up to the 3rd week. In Basirhat the prices were : on 22nd August last year Rs. 30/- a maund; this year Rs. 24-8-0 a maund.

Shrimati Renu Chakravartty: May I quote the figures given by the West Bengal Government communique? Basirhat: August, 1952—Rs. 30/-; August 5th 1953—Rs. 30/; August 12, 1953—Rs. 30/-.

Shri Kidwai: I do not know where the Bengal Government got those figures. The figures that we get are supplied by the Bengal Government and are published in the market reports. I have taken the reports both for last year and this year published in the press and the report supplied by the Bengal Government.

Shrimati Renu Chakravartty: Are there two sets of figures?

Mr. Deputy-Speaker: There are.

Shri T. K. Chaudhuri: In view of the strong views lately held by the hon. Minister about Government statistics, will he kindly check up the figures?

Shri Kidwai: I have not taken these figures from the Government statistics, but from the market reports.

Shrimati Renu Chakravartty: Have any representations been received by the Government to reduce the modified rationing rates to Rs. 15 a maund, in place of the prevailing price of Rs. 19-6-0 per maund?

Shri Kidwai: I think the hon. Member is not correctly informed there. In the modified rationing shops wheat is being sold not at Rs. 15/- but at Rs. 14-6-0 per maund.

Shri S. C. Samanta: The hon. Deputy Minister said that there is no such distress in West Bengal. The hon. Minister said that modified rationing and subsidised modified rationing has been introduced in distress areas in Bengal. From the statement supplied by the West Bengal Government, I find that in all the districts subsidised rationing as well as modified rationing has been introduced. From the statement I find that modified rations to 35 lakhs and subsidised modified rations to 25 lakhs have been issued in the whole State. Over and above this...

Mr. Deputy-Speaker: What is the question, I am yet to find out.

Shri S. C. Samanta: I want to contradict the statement of the hon Minister.

Mr. Deputy-Speaker: He can take his own time for that.

Shri S. C. Samanta: I want to know whether Government is aware that last year on account of diseases, there was loss of crops in the whole State and whether Government is ready to admit that there is distress. This should be taken up either by the State Government or by the Central Government.

Shri Kidwai: It is the function of the State Government to deal with distress. The State Government was at first alarmed by some statements made in the Press that there is widespread distress. Therefore, they hurriedly introduced modified rationing. Now, they find that the people utilising or availing themselves of these concessions from the modified rationing shops are not as great this year as they were last year. That is all that has been said. The absence of distress has not been stressed.

Shrimati Renu Chakravartty *rose—*

Mr. Deputy-Speaker: I have allowed a number of questions.

Shrimati Renu Chakravartty: One question, Sir.

Mr. Deputy-Speaker: No, no.

Shrimati Renu Chakravartty: Every question has not been properly answered. I have a number of questions.

Mr. Deputy-Speaker: Yes; Shrimati Renu Chakravartty.

Shrimati Renu Chakravartty: Since the Government is not aware of all the editorials that have come up in every paper, may I ask whether the Government is now prepared to give any relief in the form of lowering the prices in West Bengal?

Shri Kidwai: I know that the hon. Member knows as much of the value of the editorials as I do, because recently some of the papers had confessed that these editorials bring them higher sales. But, leaving that apart, I said that the Bengal Government is doing whatever is possible. But, when they find that the people are not availing themselves of the concessions, what could the Government do?

Shrimati Renu Chakravartty: Lower the prices further because of the lower purchasing power.

Shri Kidwai: The Bengal Government has not made any such recommendation.

Shri H. N. Mukerjee: The Deputy Minister said that there is no distress in West Bengal.

Shri M. V. Krishnappa: I did not say so.

Shri H. N. Mukerjee: The hon. Minister has said umpteen times that there is lack of purchasing power. Is it the Government's view that lack of purchasing power does not indicate the presence of distress?

Mr. Deputy-Speaker: He did not admit there was lack of purchasing power.

Shri Kidwai: I think the hon. Member must not try to say what the Deputy Minister has not said. He did not say that there is no distress. He said that the views that came first were alarming, and when really modified rationing at concession rate was started, then they found the people were not availing themselves of this concession in as large number as they were availing last year. I have also got before me figures to show that today the prices in Bengal are much lower than what they were last year. Therefore, people are not making use of the concession.

WRITTEN ANSWERS TO QUESTIONS

STRIKE IN PRINCE'S DOCKS

*981. **Shri Vittal Rao:** (a) Will the Minister of **Labour** be pleased to state whether it is a fact that 300 workers of the Prince's Docks went on strike from the 30th May, 1953?

(b) If so, what are the demands of the strikers?

(c) Do their demands include,

(i) payment for overtime work and

(ii) compensation to those who have already been retrenched or are under discharge notice?

(d) If so, what measures have Government adopted to help the workers in order to secure their demands?

The Minister of Labour (Shri V. V. Giri): (a) Yes, about 450 workers employed by Messrs. Kanji Jadhavji and Co., clearing Agents to the Bombay Steam Navigation Co., Ltd. went on strike from 30th May till 3rd June 1953.

(b) and (c). The workers' demands were:

(i) No reduction in overtime and piece-rates previously agreed to by the Company in respect of loading workers.

(ii) Payment of compensation to 52 retrenched monthly rated workers.

(iii) Payment of compensation to 26 pallewallas and 25 pallewallis who were served with notices of termination of employment.

(d) The Conciliation Officer (Central), Bombay who intervened in the dispute brought about an amicable settlement between the parties. Copies of the memoranda of settlement dated the 3rd June 1953 and 30th July 1953 are laid on the Table of the House. [*See* Appendix V, annexure No. 15]

LOCUST SWARM IN DELHI

***983. Dr. Ram Subhag Singh:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether a big locust swarm invaded Delhi State on the 5th July, 1953;

(b) whether there have been any more locust invasions in the Delhi State after that date;

(c) what steps were taken by Government to meet the locust invasions;

(d) the result thereof; and

(e) the extent of damage done to crops by that locust invasion?

The Minister of Food and Agriculture (Shri Kidwai): (a) Yes.

(b) Yes.

(c) and (d). Control operations, on resting swarms, were undertaken and portions of them destroyed. Attention of the Member is also invited to the reply given to Unstarred Question No. 64 by Shri K. G. Deshmukh on the 4th August, 1953.

(e) Negligible.

RECRUITMENT OF POST MASTERS

***990. Shri K. P. Tripathi:** Will the Minister of **Communications** be pleased to state:

(a) whether *viva voce* examination for posts of Telegraphs Mastership has been discontinued; and

(b) whether, in view of the policy of discarding *viva voce* examination for Postal Inspectorship or equivalent examinations like Telegraph Mastership, Government propose to re-consider the cases of those candidates who otherwise qualified in 1951 but failed in *viva voce*?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes.

(b) No.

THEFT OF RAILWAYS PROPERTY

***991. Shri K. C. Sodhia:** (a) Will the Minister of **Railways** be pleased to state whether the Railway Ministry has concluded consultation with the Home Ministry and the State Governments regarding the steps to be taken to eradicate thefts of railway property and consignments in running trains and at station yards?

(b) If so, what steps are proposed to be taken?

(c) What was the total amount involved in such thefts during 1952-53?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) and (b). The matter is still under examination.

(c) About Rs. 59 lakhs.

MANUFACTURE OF SIGNALLING AND INTER-LOCKING MACHINERY

*992. **Shri K. C. Sodhia:** (a) Will the Minister of **Railways** be pleased to state whether there is a proposal to start a factory for the manufacture of signalling and inter-locking machinery?

(b) If so, when is this likely to materialise?

(c) Has any scheme been drawn up for this proposal?

(d) What foreign firms are being invited for technical advice in the matter?

(e) What will be the estimated expenditure on the subject?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). The matter is still under examination.

(c) Not yet.

(d) No foreign firm has so far been invited for technical advice in the matter.

(e) The total expenditure involved has not yet been estimated.

STAFF CAR POOL

*993. **Shri K. C. Sodhia:** (a) Will the Minister of **Transport** be pleased to state the total number of cars under Staff Car Pool at present?

(b) How are these distributed to different Ministries?

(c) How many new cars have been or are proposed to be purchased during the year 1953-54 and at what cost?

(d) How are old cars disposed of and when was the last disposal made?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). The total number of cars in the Staff Car Pool is 65 and a statement showing their distribution is placed on the Table of the House. [*See* Appendix V, annexure No. 16.]

(c) So far four new cars have been purchased at a cost of Rs. 72,597/- and it is not proposed to purchase any more new cars during the current financial year.

(d) Old cars are disposed of through the Agency of the Directorate General of Disposals. Two cars were declared to be no longer serviceable in March and August 1953 respectively. These have not yet been sold.

PROCUREMENT PRICES OF PADDY IN MADRAS

*994. **Shri Buchhikotaiah:** (a) Will the Minister of **Food and Agriculture** be pleased to state whether Government are aware of the fact that the difference between the pool prices fixed for the rice in the Madras State and the procured prices for the paddy is high?

(b) If so, why?

(c) Is it a fact that the Madras Government referred to the Centre that the pool prices are very high for the consumers?

The Minister of Food and Agriculture (Shri Kidwai): (a) Yes.

(b) Madras Government, besides their local procurement, also receive rice from other surplus States and from Overseas imports. The rice received from all the sources is pooled together and the price is fixed on a 'no loss, no profit' basis, taking into account the quantity and cost of rice from different sources. Owing to the high price of Overseas rice as also for certain varieties of high priced indigenous rice received from other States, the pooled price will naturally be higher than the procurement price of rice produced within the State.

(c) The State Government requested for allotment of cheaper indigenous rice to enable them to reduce the pooled price which was high. As the availability of cheaper indigenous price is very limited, all the recipient Governments have, therefore, to take proportion of the costlier as well as cheaper indigenous rice. Efforts were, however, made to maximise the supply of cheaper indigenous rice to the Madras Government to the extent possible and as a consequent thereof the pool price of rice has been reduced from Rs. 20/8/- to Rs. 19/12/- per maund for I sort rice and from Rs. 16/12/- to Rs. 15/4/- per maund for II sort rice.

TIMBER CARRIER SHIPS

*995. **Shri Raghunath Singh:** (a) Will the Minister of **Transport** be pleased to state how many timber carrier ships are required in India?

(b) How many timber carrier ships India has got at present?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) It is difficult to make a precise estimate but at a rough guess the number is unlikely to exceed three.

(b) There are no timber carrier ships as much in India but general cargo and cargo-*cum*-passenger vessels of which there are many can be, and are in fact, used for carrying timber.

CONSTRUCTION OF NEW RAILWAY LINES

*996. **Shri T. K. Chaudhuri:** (a) Will the Minister of **Railways** be pleased to state whether it is a fact that Government have taken in hand the construction of new railway lines for opening up virgin coal fields?

(b) What is the location and number of such new railway lines?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) and (b). Yes; the construction of one line, the Champa-Korba line, is to be undertaken shortly.

'TIME-BARRED' CLAIMS AGAINST RAILWAYS

*997. **Shri Barman:** (a) Will the Minister of **Railways** be pleased to state whether it is a fact that the Railway Board has issued instructions that claim cases which are 'time-barred' should not be paid without obtaining sanction from the Railway Board?

(b) If so, do Government propose to lay a statement showing the number of time-barred cases, Railway by Railway, with the total amount of claim involved in each Railway?

(c) Have Government received any representation from Railway Administrations regarding the impracticability of the order which would result in delay in the settlement of these claims?

(d) What steps have been taken by the Railway Board to expedite disposal of the time-barred cases?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes, Sir.

(b) A statement giving the required information is placed on the Table of the House. [*See* Appendix V, annexure No. 17]

(c) Yes, Sir.

(d) With a view to expediting disposal of the time-barred claims, Railway Administrations have been authorised, as an interim measure, to settle all such compensation claims which became time-barred upto 31st of August, 1953. Railway Administrations have also been asked to tighten up the existing procedure of dealing with claims cases with a view to disposing them of before they become time-barred.

WOOL TESTING LABORATORY

*998. **Shri Morarka:** (a) Will the Minister of **Food and Agriculture** be pleased to state whether Government have decided to start a testing laboratory for wool at Jaipur?

(b) If so, what would be the expenditure involved in setting up this laboratory?

(c) When do Government expect to start work, on the construction of building, etc., for this purpose?

The Minister of Food and Agriculture (Shri Kidwai): (a) Yes.

(b) Expenditure during 1953-54 and 1954-55 on the equipment for the laboratory is estimated at Rs. 34,000 and Rs. 41,000 respectively. Expenditure during the remaining 6 months of the current financial year on the staff for the laboratory is estimated at Rs. 80,000.

(c) A provision of rupees 1½ lakhs spread over 2 years has been made for the construction of a building. For the present, however, a private building has been rented at Rs. 220/- per month. Final decision regarding the construction of a building for the laboratory has not yet been taken.

BANGALORE-HYDERABAD HIGHWAY

*999. **Shri P. Ramaswamy**: Will the Minister of **Transport** be pleased to state:

(a) what decision has been arrived at about the alignment of the Bangalore-Hyderabad National Highway; and

(b) whether Government have received any recommendations from the Government of Madras in regard to alignment of the road *via* Kurnool?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). As stated in reply to unstarred Question No. 371, on the 20th August 1953, it has been decided tentatively to take National Highway No. 7 through Madhavaram and Raichur. This decision has been taken in consultation with the Governments of Madras and Hyderabad but the final decision will be taken after consulting the new Andhra State also.

No recommendations have been received from the Government of Madras recently in regard to the alignment *via* Kurnool.

POSTAL FACILITIES FOR KURNOOL

*1000. **Shri P. Ramaswamy**: (a) Will the Minister of **Communications** be pleased to state what improvements the Posts and Telegraphs Department propose to make in the Postal, Telegraphic and Telephone facilities at Kurnool on account of the location of the temporary capital of the Andhra State there?

(b) When do Government expect to complete these arrangements?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) and (b). A statement giving details of the improvements the Department proposes to make in the P. and T. facilities at Kurnool is placed on the Table of the House. [*See* Appendix V, annexure No. 18.]

RICE

*1001. **Shri P. Ramaswamy**: (a) Will the Minister of **Food and Agriculture** be pleased to state the stocks of rice with the State Governments and the Central Government on the 1st August, 1953?

(b) What stocks of rice do States expect to procure during the rest of the year?

(c) What quantity of rice is required by deficit States to meet their requirements till the end of 1953?

The Minister of Food and Agriculture (Shri Kidwai): (a) The total stocks of rice held by State Governments on or about 1st August, 1953 amounted to 796,000 tons. The stock of rice in Central Depot on that date was 29,000 tons.

(b) About 5 to 5·5 lakh tons.

(c) The quantity required for issue from Government stocks in deficit States during the period 1st August to 31st December, 1953 is estimated at about 860,000 tons.

DIFFICULTIES TO PASSENGERS TRAVELLING ON SHIP 'CHIDAMBARAM'

*1002. **Dr. Amin**: Will the Minister of **Transport** be pleased to state:

(a) whether Government have received any representations regarding the difficulties experienced by the passengers travelling on ship *'Chidambaram'* belonging to the Swadeshi Steamship Company Ltd., Tuticorin;

(b) if so, the dates on which such representations were received;

(c) whether Government have deputed any officer to make an inquiry and report on this passenger service;

(d) whether any report has been submitted by the Officer;

(e) the steps that have been taken or are proposed to be taken in the matter; and

(f) whether it is a fact that the Madras Government have subscribed to this Company to the extent of several lakhs?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). Yes. The representations received on the subject were dated the 12th, 19th and 24th December 1952 and 25th January 1953.

(c) and (d). The Engineer and Ship Surveyor Mercantile Marine Department and the Chief Surveyor with the Government of India inspected this ship recently and have submitted their reports.

(e) The owners of the *s.s. 'Chidambaram'* have been asked to remedy various defects and in the meanwhile the ship has been permitted to ply as a cargo ship only.

(f) So far as the Government of India are aware the Madras Government have not subscribed to the share Capital of the Company but have granted a loan of about 7½ lakhs of Rupees on mortgage of the ship and the fixed assets of the Company.

WATER TAPS AT RAILWAY STATIONS

***1003. Dr. Amin:** (a) Will the Minister of **Railways** be pleased to state whether Government are aware that drinking water taps at big railway stations are inadequate?

(b) Do Government propose to increase their number?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) The number of taps is generally not inadequate, but where specific cases are brought to the notice of the railway authorities, they will be looked into.

(b) The facilities for supply of drinking water to passengers at all stations are reviewed from time to time and additional facilities including water taps are provided as found necessary.

FINANCIAL ASSISTANCE TO SCINDIA STEAM NAVIGATION COMPANY

***1004. Dr. Lanka Sundaram:** Will the Minister of **Transport** be pleased to state:

(a) whether the two steamers 'Jalazad' and 'Jaljawahar', were maintaining a regular passenger service with mails between India and the United Kingdom for the last three or four years;

(b) whether the Scindia Steam Navigation Company had asked for financial assistance to enable them to keep this service running; and

(c) whether the Government of India turned down this request?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) to (c). Yes, Sir.

FINANCIAL ASSISTANCE TO SCINDIA COMPANY

***1005. Dr. Lanka Sundaram:** Will the Minister of **Transport** be pleased to state:

(a) whether Government have informed the Scindia Steam Navigation Company that financial assistance for running the passenger service from India and the U.K. would not be given; and

(b) if so, whether such refusal to grant financial assistance is in accordance with the policy announced by Government in connection with the recommendation of the Shipping Policy Committee?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) yes.

(b) The facts of the case did not warrant the grant of a direct financial subsidy.

SALE OF "JALAZAD" AND "JALJAWAHAR"

***1006. Dr. Lanka Sundaram:** Will the Minister of **Transport** be pleased to state:

(a) whether the Government of India have given permission to the Scindia Company to sell the two passenger ships "Jalazad" and "Jaljawahar" to the Eastern Shipping Corporation;

(b) whether Government took more than a year to come to the decision that the Company should be allowed to sell these passenger ships instead of its being granted financial assistance for maintaining the passenger service;

(c) whether Government have made it a condition for granting permission for the sale of these passenger vessels that the sale proceeds of these vessels should be utilised by the Company in building suitable passenger ships for resuming the India-U.K. passenger service in the future; and

(d) if not, whether any other conditions have been laid down for the utilisation of the sale proceeds of these passenger vessels for expanding the Indian tonnage?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a), (c) and (d). Permission has been given to the Scindia Company to sell the two vessels to the Eastern Shipping Corporation subject to the condition that the sale proceeds should be kept earmarked by the Scindia Company for the acquisition of additional tonnage (cargo vessels) for their overseas service. No other condition has been imposed.

(b) Yes. The Government had to consider very carefully all the pros and cons before taking a final decision on this difficult question.

SUGAR CESS

***1007. Shri Bibhuti Mishra:** Will the Minister of **Food and Agriculture** be pleased to state the amount Government spend out of sugar cess in sugar cane producing area for the development of cane?

The Minister of Food and Agriculture (Shri Kidwai): A statement showing the required information is laid on the Table of the House. [*See* Appendix V, annexure No. 19.]

MISLOADING OF WAGONS AT MODINAGAR

***1008. Shri Vittal Rao:** Will the Minister of **Railways** be pleased to refer to answers given to starred questions Nos. 446 and 477 asked on the 13th August, 1953 and state:

(a) the action taken on the railway officials involved in the misloading of the wagons at Modi Industries Siding (Modinagar);

(b) the categories of railway officials; and

(c) the nature of punishment meted out?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Shahnawaz Khan): (a) to (c). There were altogether 14 railway officials involved in this case of whom 7 have either gone to Pakistan or resigned or retired from service. The remaining 7 consisting of 1 Station Master, 3 Assistant Station Masters, 1 Guard, 1 Goods Clerk and 1 Booking Clerk were charge-sheeted for removal from service. The staff concerned, however, asked for an enquiry and the Northern Railway Administration instituted a joint enquiry by a Transportation Officer and an Accounts Officer. The enquiry has just been completed. The enquiring officers will shortly submit their report on receipt of which departmental action against the staff concerned will be finalised.

POSTAL CIRCLE IN ANDHRA STATE

*1009. **Shri Vittal Rao:** Will the Minister of **Communications** be pleased to state:

(a) the status of the postal circle in the proposed Andhra State;

(b) the place of the Headquarters of the circle; and

(c) whether the present status of Hyderabad Circle will be raised consequent upon the formation of Andhra State?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) The Circle will be under a Director of Posts and Telegraphs for the present.

(b) Kurnool.

(c) The question is being examined.

INDO-U. S. AIR AGREEMENT

*1010. **Shri N. B. Chowdhury:** Will the Minister of **Communications** be pleased to state:

(a) whether the Indo-U.S. talks for the revision of the Indo-U.S. Air Agreement, recently conducted in New Delhi have ended without arriving at any decision;

(b) if so, what are the main points of difference; and

(c) whether such talks are likely to be resumed within a short time?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) and (b). The Indo-U. S. talks concluded on August 5, 1953. It is not possible for me at this stage to give any indication of the trend of the talks or of the conclusions reached.

(c) The matter is still under consideration.

TRAIN EXAMINERS

*1011. **Shri N. B. Chowdhury:** Will the Minister of **Railways** be pleased to state:

(a) whether Government have received any memorandum from the Train Examiners of the Indian Railways asking for an early revision of their pay scales;

(b) whether the pay scales of these employees are different from those of other technical supervisory personnel in workshops and running sheds; and

(c) if so, whether Government propose to revise the pay scales of these employees?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Representations have been received from Train Examiners on various Railways and one of the demands made therein is for revision of their scales of pay.

(b) Yes.

(c) The Government have carefully considered the representation but see no justification for acceding to any of the demands made therein.

ELECTRIFICATION OF CALCUTTA SUBURBAN RAILWAY

*1012. **Shri N. B. Chowdhury:** Will the Minister of **Railways** be pleased to state:

(a) when the team appointed by Government to prepare a scheme for the electrification of the Calcutta Suburban Railway services will start its work; and

(b) whether the terms of reference given to this team will include consideration of the feasibility of extension of such services upto the coal-fields and Kharagpur?

The Parliamentary Secretary to the Minister of Railways and Transport (Shri Sahnawaz Khan): (a) The work is in progress.

(b) Yes.

MEDICAL WOMEN

*1013. **Kumari Annie Mascarene:** (a) Will the Minister of **Health** be pleased to state the number of medical women working at present under the Technical Co-operation Agreement in India?

(b) How many of them are nurses?

(c) How much do they get from the Government of India?

The Minister of Health (Rajkumari Amrit Kaur): (a) Two.

(b) None.

(c) Government of India provide office facilities for both, while one of them has also been provided with residential accommodation, local transport and is granted travelling allowances while on tour on duty.

LOCUST WARNING ORGANISATION

*1014. **Shri Eswara Reddy**: (a) Will the Minister of **Food and Agriculture** be pleased to state whether the Locust Warning Organisation issued a warning before the recent locust invasion in Delhi?

(b) If not, have Government taken any action against the persons concerned?

The Minister of Food and Agriculture (Shri Kidwai): (a) The Locust Warning Organisation issues a fortnightly bulletin about the general movement of swarms in the country and in other parts of the world. It does not issue warning about individual swarms. There are separate arrangements for this.

(b) The question does not arise.

निट्टूर के निकट मालगाड़ी का पटरी से उतर जाना

५०८. **श्री रघुनाथ सिंह** : (क) क्या रेल मंत्री यह बतलाने की कृपा करेंगे कि क्या यह तथ्य है कि २१ जुलाई की रात को अर्सीकेरी से बंगलौर जाने वाली मालगाड़ी के १५ डब्बे निट्टूर तथा गुब्बी स्टेशनों के बीच पटरी से उतर कर उलट गये ?

(ख) यदि हां, तो इस दुर्घटना का क्या कारण था ?

(ग) रेल पटरी मजबूत थी अथवा नहीं; और

(घ) कितने-कितने समय बाद रेल-पटरियों की जांच की जाती है ?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes. At about 22-15 hrs. on 21-7-1953, 15 wagons next to the engine of 2908 Dn. Goods train derailed while the train was running between Nittur and Gubbi Stations on the Arsikere-Bangalore Metre Gauge Section of the Southern Railway.

(b) *Prima facie* the accident was caused by the draw bar of the wagon next to the engine getting detached from the coupler through the pivot pin working out. As a result, the engine parted from the rest of the train, and then the engine and the train bumping against each other caused the derailment of the wagons as stated above.

(c) The condition of the track was normal.

(d) The track is inspected once a week by the Permanent Way Inspector, but the Keyman of the gang walks over it every day.

झूमरितिलैया अभ्रक खानों के मजदूर

५०९. **श्री बी० मिश्र** : क्या श्रम मंत्री यह बतलाने की कृपा करेंगे कि :

(क) क्या यह तथ्य है कि १९४८ के फैसले के फलस्वरूप झूमरितिलैया अभ्रक खान मजदूरों के लिये त्रैमासिक और मासिक बोनस मंजूर किये गये;

(ख) क्या यह सच है कि दोनों प्रकार के बोनस का औसत २५० रुपये के बराबर होता था;

(ग) क्या यह सत्य है कि समय समय पर इन मजदूरों को खान-मालिकों की ओर से दोनों प्रकार के बोनस तोड़ने की धमकी तथा नोटिस दिये गये हैं;

(घ) क्या यह सच है कि विगत ३ जुलाई को पटना में आयोजित एक बैठक में इन खान-मालिकों ने इस बात का निश्चय किया था कि २० जुलाई, १९५३ से कोई भी बोनस नहीं दिया जायेगा; और

(ङ) यदि उपरोक्त भाग (क), (ख), (ग) और (घ) के उत्तर हां में हैं तो सरकार इस निर्णय के विरुद्ध क्या कार्यवाही करने की सोच रही है ?

The Minister of Labour (Shri V. V. Giri): (a) to (d). Information is being collected and will be placed on the Table of the House.

(e) The matter will be considered on receipt of the information called for.

RAILWAY QUARTERS

510. Shri Frank Anthony: Will the Minister of **Railways** be pleased to state:

(a) the amount spent by the Northern Railway on maintaining quarters of Class I and Class II officers during the year 1952-53;

(b) the number of quarters of Class I and Class II officers so maintained;

(c) the amount spent on maintaining Class IV staff quarters during the year 1952-53;

(d) the number of Class III staff quarters so maintained;

(e) the amount spent on maintaining Class IV staff quarters during the year 1952-53; and

(f) the number of Class IV staff quarters so maintained?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) No separate accounts are maintained for the amount spent on maintenance of Quarters of Class I and Class II Officers. The total amount spent on Quarters during 1952-53 on maintaining quarters of Class I and II officers and of Class III and IV staff is Rs. 17,33,274.

(b) Two hundred and forty two.

(c) As in the case of Officers, separate accounts are not maintained for the amount spent on maintenance of Quarters for Class III staff.

(d) 12,976.

(e) As in the case of the Officers' Quarters and Quarters for Class III Staff, no separate accounts are maintained for the amount spent on maintenance of Class IV quarters.

(f) 41,743.

RAILWAY QUARTERS ON SOUTHERN RAILWAY

511. Shri Frank Anthony: Will the Minister of **Railways** be pleased to state:

(a) the amount spent on building quarters for Class III staff on the Southern Railway during the year 1952-53.

(b) the amount spent on building quarters for Class IV staff on the Southern Railway during the year 1952-53;

(c) the amount spent by the Southern Railway on building quarters for Class I and II staff during the year 1952-53:

(d) the number of Class III and Class IV staff still without quarters on the Southern Railway; and

(e) how long it will take to provide all Class III and Class IV staff on the Southern Railway with quarters?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). The total amount spent on building quarters for Class III and Class IV staff on Southern Railway during the year 1952-53 comes to Rs. 28,25,496. During the year 1952-53 the expenditure incurred on construction of quarters for class III staff was Rs. 12,02,603 and for class IV staff was Rs. 16,22,893.

(c) No amount has been spent by the Southern Railway for building new quarters for Class I and Class II officers during the year 1952-53.

(d) The total number of Class III and Class IV staff who have not so far been provided with quarters is approximately 1,14,662 *viz.*, 40,361 class III and 74,301 Class IV.

(e) The essential staff, who are likely to be called out for duty at any time on short notice for emergencies, are to be provided with quarters in the first instance and the period during which all Class III & IV staff can be provided with quarters will depend on the funds made available from year to year.

PILOTS

512. **Shri Karni Singhji:** (a) Will the Minister of **Communications** be pleased to state whether any other scheme is being considered in place of the C.A.T.C. Allahabad, for qualifying Pilots for Dakota Conversion?

(b) If so, what is the scheme?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Facilities for Dakota Conversion training at the Civil Aviation Training Centre, Allahabad have not been discontinued. Some trainees are undergoing training at present and another batch is likely to be taken on shortly.

(b) Does not arise.

COMMUNICATION ENGINEERS

513. **Shri N. B. Chowdhury:** Will the **Minister** of **Communications** be pleased to state:

(a) whether any engineers have been deputed to U.K. recently by the Government of India for the purpose of receiving special training in communication engineering;

(b) if so, the number of officers sent; and

(c) what sort of training they are receiving in England?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes.

(b) Two.

(c) One of them is receiving practical training in the wireless transmitting and receiving stations and in the research and developments sections of the Cable and Wireless Ltd., in the United Kingdom and the other is receiving training in the use of various types of modern telecommunications equipment in the Central Telegraph Office in London.

Per Capita CONSUMPTION OF FOOD

514. **Shri V. P. Nayar:** Will the Minister of **Food and Agriculture** be pleased to refer to the reply given to unstarred question No. 1240 asked on the 28th March, 1953 regarding *per capita* consumption of food and state the *per capita* consumption of food (in calories) in the year 1952-53?

The Minister of Food and Agriculture (Shri Kidwai): Since complete data for the year 1952-53 are not yet available, it is not possible to give an estimate of the *per capita* consumption of food for that year.

KEY VILLAGE SCHEME

515. **Shri M. L. Dwivedi:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) in how many of the centres opened under the Key Village Scheme, State-wise, the work has actually started;

(b) What is the progress made so far in the implementation of the scheme; and

(c) whether any scheme for the improvement of the livestock was suggested by the spokesman of the animal husbandry wing at a conference held at Poona on the 20th March, 1953?

The Minister of Food and Agriculture (Shri Kidwai): (a) Attention of the Hon. Member is invited to the reply given to part (a) of Starred Question No. 889 asked by Shri S. C. Samanta on the 28th August, 1953.

(b) Against the target of 127 Artificial Insemination Centres and 514 Key Villages proposed to be established by the end of the year 1953-54, so far 92 Artificial Insemination Centres with 256 Key Villages, have started functioning.

(c) No.

ANNAPURNA SERVICE ON NORTHERN RAILWAY

516. **Prof. D. C. Sharma:** (a) Will the Minister of **Railways** be pleased to state whether the All-India Women's Food Council is going to introduce its Annapurna Service on the Northern Railway?

(b) If so, at what centres?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). The All-India Women's Food Council have already introduced, on and from 20-5-1953, the "Annapurna" service on the Dining Car running by the 33UP and 34Down Dehra Dun Express trains between Delhi and Dehra Dun on alternative days. They have also been given a contract for running the Vegetarian Refreshment Room at Lucknow station and their service has commenced there on and from 18-7-1953.

SUPPLY OF WATER ON RAILWAY STATIONS

517. **Shri Dabhi:** Will the Minister of **Railways** be pleased to state:

(a) the names of the stations on the Western Railway between Ahmedabad and Baroda, on (i) the Nadiad-Kapadvanj Section of the Western Railway, (ii) the Anand-Petlad-Cambay line on the Bhadran-Petlad-Pihij line, (iii) the Anand-Dakor-Godhra line, and (iv) the Vasad-Kathana line, where no arrangements for the supply of cool water to passengers have so far been made by the Railways; and

(b) the time within which such arrangement will be made at all these stations?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) At majority of the stations, permanent water-huts and watermen are provided for the purpose; at stations where these are not provided, either the station staff arrange the storing of cool drinking water in earthern *chatties* and supply to passengers as and when required or watermen travelling in passenger trains serve drinking water to passengers.

(b) Does not arise in view of the answer to (a).

ADDITIONAL TRAIN BETWEEN ANAND AND CAMBAY

518. **Shri Dabhi:** Will the Minister of **Railways** be pleased to state:

(a) whether Government propose to run an additional train between Anand and Cambay; and

(b) if not, the reasons therefor?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). It is regretted that on account of the shortage of rolling stock it is not at present possible to do so, but the matter will be reviewed when the position improves.

RAILWAY ACCIDENTS

519. **Pandit M. B. Bhargava:** Will the Minister of **Railways** be pleased to state:

(a) the number of major Railway accidents occurred by collision during the year 1952-53 and in the months of April to June, 1953 on the Railways;

(b) the loss of life and the number of casualties resulting therefrom;

(c) the causes that led to these accidents;

(d) the loss of property to the Railway and to the private persons occasioning from these accidents;

(e) the amount of compensation claimed and paid;

(f) the number of cases for compensation still remaining unpaid; and

(g) the minimum and the maximum amount paid in any particular accident to an individual during the year 1952-53?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The number of major collisions *i.e.*, collisions involving trains carrying passengers attended with loss of human life and/or grievous hurt and /or damage to Railway property to the value of approximately Rs. 20,000/- or over in each was 5 in 1952-53 and 3 in the months of April to June, 1953.

(b) *Killed* :

1952-53	46
April to June, 1953 .	73

Injured :

1952-53 :—		
	Grievous .	33
	Minor . .	58
	Total	91
April to June, 1953		
	Grievous .	42
	Minor . .	102
	Total	144

(c) *1952-53* :—

(i) Failure of station staff 2 accidents.
(ii) Failure of Driver 3 accidents.

April to June, 1953 :—
(i) Failure of driver . 1 accident.
(ii) failure of station staff 2 accidents.

(d) Approximate cost of damage to engine, rolling-stock and Permanent Way was :

	Rs.	As.	P
1952-53 :	2,08,352	0	0
April to June, 1953	3,69,063	0	0
Loss of private property	Not known.		

(e) *Amount of compensation claimed* :—

1952-53 . .	19,23,515	6	6
April to June, 1953	3,63,860	13	0

Amount of compensation paid :—

1952-53 . . .	2,09,140	0	0
April to June, 1953	18,101	7	0

(f) *Number of cases for compensation still remaining unpaid :—1952-53* . . 2
April to June, 1953. . 20

(g) The maximum and minimum amounts paid to an individual as compensation in an accident during the year 1952-53 were Rs. 8,000/- and Rs. 100/- respectively.

Bidi LABOURERS IN TRIPURA

520. **Shri Biren Dutt:** Will the Minister of **Labour** be pleased to state:

(a) whether it is a fact that in the Agartala Town, minimum wages are not being given to *bidi* labourers; and

(b) if so, the steps Government propose to take to enforce the labour laws and Payment of Wages Act in Tripura?

The Minister of Labour (Shri V. V. Giri): (a) No.

(b) Does not arise. Incidentally, the Labour Department under the State Government has been recently re-organised and some posts have been created with a view to securing effective enforcement of the labour laws in the State.

प्राइवेट कम्पनियों की रेलवे लाइनें

५२१. सेठ गोविन्द दास : क्या रेल मंत्री प्राइवेट कम्पनियों द्वारा चलाई जाने वाली रेलों की वार्षिक आय बताने की कृपा करेंगे ?

The Deputy Minister of Railways and Transport (Shri Alagesan): The total income of railways run by private Companies during 1951-52 for which published accounts are available is Rs. 12,99,564. A detailed list is laid on the Table of the House. [*See* Appendix V, annexure No. 20.]

मध्य प्रदेश को नियत किये गये ट्रैक्टर

५२२. श्री चांडक : क्या खाद्य तथा कृषि मंत्री यह बताने की कृपा करेंगे कि :

(क) केन्द्रीय ट्रैक्टर संगठन के अधीन वर्ष १९५२–५३ में मध्य प्रदेश को दिये गये तथा चलने वाले ट्रैक्टरों की संख्या कितनी है ?

(ख) उन की लागत कितनी है ?

(ग) उन ट्रैक्टरों में से इस समय कितने ट्रैक्टर काम कर रहे हैं ?

(घ) कितने ट्रैक्टर बेकार पड़े हैं तथा बेकार रहने का क्या कारण है ?

(ङ) अब तक इन ट्रैक्टरों से कितनी भूमि जोत में लाई गयी है ?

(च) ट्रैक्टरों का किराया किसानों से प्रति एकड़ हिसाब से तथा कितनी किस्तों में वसूल किया जाता है ?

(छ) ट्रैक्टरों के किराये के सम्बन्ध में क्या सरकार को कोई अभ्यावेदन किया गया है ?

(ज) यदि हां, तो इस सम्बन्ध में क्या निर्णय किया गया है ?

The Minister of Food and Agriculture (Shri Kidwai): (a) During 1952-53 reclamation season, 60 heavy tractors were allotted for operations in Madhya Pradesh.

(b) Rs. 39,98,368.

(c) 55.

(d) Five tractors remained idle in the 1952-53 season for want of spare parts.

(e) During 1952-53 season, a total area of about 62,700 acres was reclaimed. The total area reclaimed by C.T.O. from 1947-48 up to the close of 1952-53 with the tractors mentioned above as well as some other tractors is about 3,10,800 acres. The entire area reclaimed in the 1952-53 season is expected to be brought under actual cultivation by the next Rabi, while the rest of the reclaimed area is already under cultivation.

(f) The expenditure incurred on the operations by the Central Tractor Organisation is recovered from the State Government in five annual instalments. The latter make recoveries from the cultivators at the rates indicated below:—

(i) For reclamation of prior cultivated lands in the pre-rabi-harvest period—Rs. 40 per acre.

(ii) For reclamation of prior cultivated lands in the post-rabi harvest period—Rs. 55 per acre.

(iii) For reclamation of fallow lands—Rs. 65 per acre.

The reclamation charges are recovered by the State Government from the cultivators in five annual instalments.

(g) and (h). The Government of Madhya Pradesh have received complaints to the effect that the rates charged are high. The State Government have however not been able to reduce the rates as the charges they themselves have to pay to the Central Tractor Organisation do not permit of such reduction. The Central Tractor Organisation, in their turn, are not in a position to reduce their rate of recoverey from the State Government because they work on a 'No profit no loss' basis and the entire expenditure incurred has to be recovered.

DHARASU-GANGOTRI ROAD

523. Shrimati Kamlendu Mati Shah: Will the Minister of **Transport** be pleased to state:

(a) whether Government are aware of the routes leading to Tibet *via* Gangotri and Badrinath in U.P.;

(b) whether Government are contemplating to construct the Road from Dharasu to Gangotri under the National Highway Schemes; and

(c) whether Government are aware that there is also possibility of a route to Tibet near a place called Khatling in Tehri Garhwal, U.P. which was said to be a trade route some years back?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes, Sir.

(b) No, Sir.

(c) An alternative route to Tibet from Tehri *via* Khatling may be possible but the development of these routes is the concern of the Government of Uttar Pradesh.

ASIAN REGIONAL CONFERENCE

524. Shri Raghunath Singh: (a) Will the Minister of **Labour** be pleased to state whether Asian Regional Conference is going to be held at Tokyo from the 14th to 26th September, 1953?

(b) If so, do Government propose to send any representative to the said conference?

(c) Will the question of Indian shipping labourers be discussed there?

The Minister of Labour (Shri V. V. Giri): (a) Yes.

(b) Yes.

(c) The agenda of the Conference be as follows:—

1. Problems of wage policy in Asian countries;
2. Workers' housing problems in Asian countries; and
3. Measures for the protection of Young Workers in Asian countries including vocational guidance and training.

WAGONS REQUIRED BY COLLIERIES

525. Shri T. K. Chaudhuri: Will the Minister of **Railways** be pleased to state whether Government will lay on the Table of the House a statement showing:

(i) the daily average of the number of wagons indented by collieries, year by year, from 1947 onwards up to 1952 and for the first half of 1953,

(ii) the daily average of the number of wagons required by the collieries as per the programme of coal despatches sanctioned by the office of the Coal Commissioners, year by year, for the same period, and

(iii) the daily average of the number of wagons actually supplied to the collieries for coal despatching, year by year, for the same period showing the figures firstly with regard to India as a whole and secondly with regard to (1) coalfields in Bengal and Bihar, (2) C.P. coalfields and (3) C. I. coalfields?

The Deputy Minister of Railways and Transport (Shri Alagesan): Parts (i) to (iii). A statement giving the information available regarding wagon indents by collieries, allocations by the Coal Commissioner and the number of wagons actually supplied by the Railways for coal loading for the years 1947 to June 1953, is placed on the Table of the House. [*See* Appendix V, annexure No. 21.]

TELEGRAPH AND TELEPHONE OFFICES IN MADHYA BHARAT

526. Shri Damar: Will the Minister of **Communications** be pleased to state:

(a) whether there is a proposal to open new telegraph and telephone offices in all the Tehsil Head quarters in Madhya Bharat; and

(b) if so, the number of new telegraph and telephone offices proposed to be opened during the year 1953-54?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) and (b). The revised policy for the provision of telegraph and telephone facilities at District, Sub-divisional and Tehsil stations is still under consideration. The cases of the Tehsil headquarters stations in Madhya Bharat will be considered after the decision is taken.

UNIFORMS FOR POSTAL STAFF

527. Shri Muniswamy: Will the Minister of **Communications** be pleased to state what is the average cost of uniforms per head supplied to postmen and Class IV staff of the Posts and Telegraphs Department?

The Deputy Minister of Communications (Shri Raj Bahadur): Rs. 30-0-6.

POSTAL INSPECTORS

528. Shri Muniswamy: (a) Will the Minister of **Communications** be pleased to state whether it is a fact that an examination for selection of Postal Inspectors was held during the month of October, 1952?

(b) If so, how many candidates appeared for the examination and how many of them were declared qualified?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes.

(b) 1944 candidates appeared. Presuming that by the term 'qualified' the Member means "selected" the number is 137.

RAILWAY COACHES (FANS)

529. Shri U. M. Trivedi: (a) Will the Minister of **Railways** be pleased to state how many III class coaches provided with fans are running on the Ajmer-Khandwa Railway Section?

(b) Are Government aware that many of these coaches have their electric connections for fans removed?

(c) What are the reasons for such removal?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) 30.

(b) Some of them had their fans dis-connected.

(c) Against old orders for coaching stock provision was made to fit dynamos and batteries only on half the number on order. A number of coaches received against these orders and not fitted with dynamos and batteries were put into service on Ajmer-Khandwa Section which caused an imbalance between the electric load due to lighting and fannage and the generating capacity on some rakes leading to the fans on some of these coaches being dis-connected to avoid dim lights. More and more coaches are being progressively equipped with dynamos and batteries as and when materials are available to deal with additional fannage load and the position is expected to improve in the near future.

ROAD BRIDGE AT PATHANKOT

530. Shri Ajit Singh: Will the Minister of **Railways** be pleased to state:

(a) the estimated and actual expenditure incurred on construction of road bridge at Pathankot over the River Beas;

(b) the names of agencies who constructed this bridge

(c) the portion with cost each agency constructed:

(d) the dates of commencement and completion of these portions of the bridge; and

(e) which authority designed the bridge?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The estimated cost of the bridge including *road-decking* and *guide bunds* is Rs. 1,17,64,414/-. As the accounts of the project have not yet been closed, it is not possible to indicate the actual expenditure incurred on construction of the bridge. However, the approximate actual cost comes to Rs. 1,11,25,600/-.

(b) to (d). The names of agencies who constructed the bridge, the portion which each agency constructed, and the dates of commencement and completion of these portions of the bridge are indicated below:—

Name of the Agency who constructed	Name of work	Cost	Date of	
			Commencement	Completion
		Rs.		
1) M/s. Braithwaite Burn & Jessop Construction Co. Ltd.	Supply of Steel Work.	14,32,704	Part Supply of Ist Span delivered Sept. 1951	19-2-52 (Bearings supplied on 6-8-52)
(2) M/s. Uttam Singh Duggal & Co. Ltd., New Delhi.	Construction of piers and abutments.	22,74,488	1-4-1950	31-1-52.
M/s. Uttam Singh Duggal and Co. Ltd. New Delhi.	Right guide bund	21,73,465	15-1-1951	15-4-52
(3) Shri Lal Chand Kalra Contractor.	Part of left guide bund.	6,12,402	23-1-1951	Left the work incomplete.
(4) Messrs Bakshi Shiv Ram & Co., Delhi.	(1) Part of left guide bund, left by item (3).	2,88,044	5-1-52	30-4-52
	(2) Cement Concrete Blocks for apron.		1-6-51	28-6-51
(5) M/s. Hira Lall & Co., New Delhi.	Part of left guide bund (cement concrete blocks).	93,474	19-4-51	21-6-51
(6) Departmental Work	Erection of Steel Work and Road Decking.	42,51,023	Dec. '49	7-4-52 except road decking in Oct. 52.

(e) The girders of the bridge were designed by the Central Standards Office of the Railway Board while the erection scheme and design of superstructure were prepared by *ex*-Eastern Punjab Railway administration.

CULTIVATION OF PADDY

531. Shri Bibhuti Mishra: Will the Minister of **Food and Agriculture** be pleased to place on the Table of the House a statement showing the main processes through which Shri S. M. K. Arumugham Servai of Karur raised 7,200 pounds of paddy per acre for which he was paid a prize of Rs. 200/- together with a medal by the Minister of Agriculture?

The Minister of Food and Agriculture (Shri Kidwai): The requisite information has been called for from the Madras Government and will be placed on the Table of the House when received.

MECHANICS FOR TELEPHONE EXCHANGES

532. Shri B. N. Misra: (a) Will the Minister of Communications be pleased to state whether it is a fact that examinations for recruitment to the cadre of mechanics for telephone exchanges, were held in the beginning of 1952 at the various Post and Telegraph Circles in India?

(b) What was the total number of persons appearing for the said examinations at each Post and Telegraph Circle?

(c) How many of them passed from each Circle?

(d) How many persons have been employed in service out of the persons who had passed the examination at each of the Circles?

(e) Till what date are others who have not received their orders, likely to be called in for service?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes. An examination for recruitment to the cadre of mechanics was held in some of the P. & T. circles and Telephone Districts as detailed in answer to part (b) in the beginning of 1952. The examination was held for recruitment of mechanics in the Telephone, Telegraph, Repeater Station and Wireless branches and not separately for the telephone exchanges.

(b)

Punjab circle	297
Bombay District	85
Technical & Development circle.	24
Delhi District	146
Calcutta District	107
Assam circle	50
Total	709

(c) The mechanics recruitment examination is a competitive one and candidates are selected in order of merit for training and appointment. The number of candidates selected for training in the various units according to the number of vacancies is as follows:—

Punjab circle	37
Bombay District	50
Technical & Development circle	5
Delhi District	19
Calcutta District	27
Assam Circle	10

(d)

Punjab circle	7
Bombay circle	37
Technical & Development circle	Nil
Delhi District	Nil
Calcutta District	21
Assam circle	1

(e) The question of revising the system of training is under consideration of Government. As soon as a decision is taken the candidates will be sent up for training and on successful completion of the training they will be appointed as mechanics.

SHORTAGE OF INTER CLASS ACCOMMODATION

533. Shri H. G. Vaishnav: (a) Will the Minister of Railways be pleased to state whether Government are aware that there is very little Inter Class accommodation provided on the metre gauge railway trains running between Manmad and Hyderabad?

(b) Do the authorities propose to increase the accommodation?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) A compartment is set apart for inter class accommodation on the Metre Gauge trains between Manmad and Hyderabad. The occupation ratio of inter class is, however, high.

(b) The feasibility of providing an additional compartment of inter class is under examination.

TELEGRAPH AND TELEPHONE FACILITIES IN HYDERABAD

534. **Shri H. G. Vaishnav:** Will the Minister of **Communications** be pleased to state the District and Taluq headquarters in the Hyderabad State in which Government propose to increase telegraph and telephone facilities in 1953-54?

The Deputy Minister of Communications (Shri Raj Bahadur): A statement has been placed on the Table of the House. [*See* Appendix V, annexure No. 22.]

ALLOTMENT OF WAGONS FOR SUGAR

535. **Shri Gidwani:** (a) Will the Minister of **Food and Agriculture** be pleased to state whether it is a fact that the sugar Mills did not utilize a number of wagons allotted to them for the despatch of sugar to Bombay and Delhi Area?

(b) What were the names of the defaulting mills?

(c) What action is proposed to be taken against them?

The Minister of Food and Agriculture (Shri Kidwai): (a) to (c). The following mills were not able to use all the wagons allotted to them for special movement to Bombay and Delhi:—

(i) Simbhaoli Sugar Mills, Simbhaoli.
(ii) Modi Sugar Mills Ltd., Modinagar.
(iii) R. B. Narain Singh Sugar Mills Ltd., Lhaksar.
(iv) Raza Sugar Co. Ltd., Rampur.
(v) Buland Sugar Co. Ltd., Rampur.
(vi) Upper Ganges Sugar Mills, Seohara.
(vii) Lakshmi Sugar & Oil Mills Ltd., Hardoi.
(viii) Ram Luxman Sugar Mills Ltd., Mohiuddinpur.

This did not, however, affect the plan for moving increased quantities of sugar to the said markets as the unutilised wagon quota was used for despatch of sugar, released out of the reserved stocks to the State Governments for distribution through fair price/ration shops.

Enquiries made revealed that the full quota of wagons was not utilised by the above mills due to bad weather conditions, cancellation of orders by the purchasers, etc., and as such, no action could obviously be taken against the factories.

SUBURBAN TRAINS

536. **Shri Gidwani:** Will the Minister of **Railways** be pleased to state:

(a) whether Government have received a representation that first class compartments should be eliminated from suburban trains and second class compartments substituted; and

(b) if so, what action has been taken on that representation?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes, Sir.

(b) The question is under examination.

Dated.....24.11.2014....

THE PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

HOUSE OF THE PEOPLE

Thursday, 3rd September, 1953

The House met at a Quarter Past Eight of the Clock

[MR. DEPUTY-SPEAKER *in the Chair*]

QUESTIONS AND ANSWERS

9-38 A.M.

LEAVE OF ABSENCE

Mr. Deputy-Speaker: I have to inform hon. Members that I have received the following letter from Shri Chowkhamoon Gohain:

> "I have been busy with the evacuation works in our area due to constant floods and erosions.
>
> As people require my presence in this connection, I would like to request permission of the House to grant me leave of absence from all sittings of the current session."

Where does this hon. Member come from?

Several Hon. Members: Assam.

Shri Sarmah (Goalghat-Jorhat): From the North Eastern Frontier Agency.

Mr. Deputy-Speaker: Is it the pleasure of the House that permission be granted to Shri Chowkhamoon Gohain for remaining absent from all the meetings of the House during the present session?

Leave was granted.

Mr. Deputy-Speaker: I have also to inform hon. Members that I have received the following letter from Shri K. G. Deshmukh:

> "As I am suffering from typhoid fever from 19th July, 1953 and confined to bed since then, I could not attend this session of Parliament up till now. I hope, Sir, the House will grant me leave for my absence."

Is it the pleasure of the House that permission be granted to Shri K. G. Deshmukh for remaining absent from all meetings of the House during the present Session?

Leave was granted.

MESSAGE FROM THE COUNCIL OF STATES

Secretary: Sir, I have to report the following message received from the Secretary of the Council of States:

> "In accordance with the provisions of rule 97 of the Rules of Procedure and Conduct of Business in the Council of States, I am directed to enclose a copy of the Indian Railways (Amendment) Bill, 1953, which has been passed by the Council of States at its sitting held on the 1st September, 1953."

INDIAN RAILWAYS (AMENDMENT) BILL.

Secretary: Sir, I lay the Indian Railways (Amendment) Bill, 1953, as passed by the Council of States on the Table of the House.

ESTATE DUTY BILL—*Contd.*

Mr. Deputy-Speaker: The Estate Duty Bill will now be taken up. Clause 4 is under discussion. The following amendments have been moved:

304, 305, 9, 10, 11, 12, 473, 474 and 570.

Shri A. M. Thomas (Ernakulam): There is a large volume of opinion expressed on the floor of this House with regard to the desirability of setting up an independent appellate tribunal for deciding questions with regard to the assessments made under this Act. The Finance Minister, as he is usually very responsive to the sentiments of this House, will, I hope, give heed to this representation and then accede to the necessary amendments to this Bill.

Certainly, lawyer Members are generally eager to have independent tribunals set up, but I find from the discussions that have preceded at the time of the first reading stage and when the Select Committee report was taken up for consideration, that not only lawyer Members, but the majority who have spoken on this Bill have pleaded for the setting up of an appellate tribunal. Mr. Gadgil was hitherto pleading for the common man and we were all with him in his zeal and advocacy for the benefit of the common man, and I believe that he will also join with us in the plea that we put forward for setting up an independent appellate tribunal.

It will be seen from the report that you have presented before this House:

> "The Select Committee feel that the administration of the Act may, for the first few years, be left in the hands of the Board and thereafter the question whether an appellate tribunal should be interposed may be considered, if necessary."

From this observation itself it will be seen that the Select Committee itself, on a matter of policy, was not against the setting up of an independent appellate Tribunal. The rights and duties which the Estate Duty Bill brings in questions of fact as well as law which arise for decision must also be subject matter of appeals before an independent appellate Tribunal if parties choose like that—Tribunals which are completely independent and do not look at the case through the spectacles of the Government departments. There should be a judicial body which is able not only to see that the Commissioners and their subordinates keep within their jurisdiction, but also to regulate their decisions on points of law, and in proper cases on points of fact.

The principle on which I base my reasoning for the setting up of an appellate Tribunal is this. The task of doing justice as between the subject and the administrative branches of the Government is just as important as the task of doing justice between man and man, and for doing justice between man and man I do not think anybody will question the desirability of having judicial Tribunals. Genuine cases should not perish in the bowels and sands of departmental decisions. This is my plea. It is a general complaint that such taxing statutes are used to harass people with lower incomes and the big people really escape. As has been submitted already by other Members, the big fish usually escape. It is to avoid that and to inspire confidence that there is necessity of a judicial tribunal like this. That there is an independent judicial tribunal not only to look to questions of law, but also to facts, will serve certainly as a check on arbitrary exercise of power by these officials.

The hon. Finance Minister, when he was confronted with this plea put forward by several Members, said that there is necessarily some sort of rigidity resulting in the interests of securing absolute conformity with the letter of the law, with regard to administration by judicial Tribunals. He continued: "On the other hand, in the case of an appeal to the Department, there should be, and there always is, more flexibility which is essential in the case of an absolutely new legislation as the present one". And in order to fortify his opinion, he has put forward the evidence that has been tendered before the Select Committee, *i.e.*, the body of opinion which said that their experience with regard to the administration of the Excess Profits Tax was that the Board of Revenue, or rather the official branches which administer these Acts, were more liberal in the matter of assessments, and they erred only on the side of leniency towards the assessee. That is the very reason why we must have an appellate Tribunal. We do not want any flexibility in the administration of the Estate Duty Act. It is not any rough justice that we want, and if the justice that is administered becomes rough, it ceases to be justice. So that, I plead that it is absolutely necessary to have an independent appellate Tribunal which will go into questions of fact as well as questions of law.

The hon. Finance Minister used very diplomatic language when he said that usually in the administration of such taxing statutes, the department is liable to be more flexible. I would like to quote a sentence or two from a book which I recently read. There, one Minister of the Crown, in an unwise moment, when he refused an appeal to the Courts, gave as his reason that he feared a judicial sabotage of his plans. I do not think that the hon. Minister fears that by the setting up of a judicial tribunal, there will be a judicial sabotage of the plans that he has envisaged under this Bill. The main reason why I plead for the setting up of a tribunal is, as I already stated, to inspire confidence in the public. There is also one other ground for my doing so. The object which we are now striving for, is to have justice given as cheaply as possible, and bring it nearer the doors of the common man. If you go through the appeals that have been filed before the Supreme Court, you will find that several appeals and applications for leave to appeal have come to that Court, arising out of the decisions of the High Courts which are situated close to New Delhi, the headquarters of the Supreme Court. If the headquarters of a tribunal like the Central Board of Revenue is situated at such a distant place as New Delhi, it is not likely that the common man will take his grievances to that tribunal. The only course that he will take will be to bear the consequences of even capricious decisions of the officers concerned. It is, therefore, necessary in order to serve the needs of the assessees, that there should be appellate tribunals distributed in several parts of the country. Then only it is possible for the common man to get justice.

I do not think on a matter of principle, the Finance Minister will oppose this very reasonable amendment. I hope he will see his way to accept the amendment moved by my hon. friend Mr. S. V. Ramaswamy.

Mr. Deputy-Speaker: Before I call upon any other hon. Member, I would like to remind the House that according to the schedule of work that I placed before the House yesterday, and was agreed to by the leaders of the groups and the House as well, we must dispose of clauses 2 to 29 by tomorrow evening. Clauses 2 and 3 we have already disposed of. The remaining clauses we must dispose of by tomorrow evening. Today we have got an evening session. Tomorrow if necessary we may have another evening session. But all these clauses must be disposed of by tomorrow evening. Hon. Members will kindly bear that in mind. One or two hon. Members can speak on a particular important matter; other hon. Members may reserve their comments for another important subject, and so on. I am only making a suggestion to the House.

Shri N. C. Chatterjee (Hooghly): I am supporting this suggestion that there should be an independent tribunal. I am really pleading not merely for the assessees who are likely to be harassed, tortured and tormented, but I would also like to point out that this will be good for the exchequer, for the somewhat extraordinary powers which have been given to the Controller may lead to either over-valuation or under-valuation. In one case, it will hit the poor assessees, and in the other case, it will hit the exchequer which will lose some portion of the money which should go to it.

You know under the Income-Tax Act, we have got appeals against the decision of the Commissioner or the taxing authorities, to the appellate tribunal. We are fighting for the same principle here also. If you look at the scheme of this legislation, you will find that the procedure is that the person accountable will first deliver an account and pay duty on the property included therein. Usually the account will not be a complete one, because it has got to be filled within six months of the death of the deceased, and full details may not be available. Thereafter, very wide powers have been conferred on the Controller. It is not merely a question of the quantum of valuation. The House should remember that there are powers given to the Controller, which may be utilised as an engine of oppression.

If you look at clause 35, you will find that—

> "The principal value of any property shall be estimated to be the price which, in the opinion of the Controller it would fetch if sold in the open market at the time of the deceased's death."

This is the power that is being given to the Controller. Practically he has to determine what would be the market price of the property at the time of the deceased's death.

Again in clause 39, you will find—

> ".....the value of any property for the purpose of estate duty shall be ascertained by the Controller in such manner and by such means as may be prescribed.....".

In Clause 41, you will find that the Controller may accept and certify valuation when convenient, and the provision reads:

> "The Controller on application from a person accountable for the duty on any property forming part of an estate shall, where he considers that it can conveniently be done, certify the amount of the valuation accepted by him for any class or description of property forming part of such estate."

Then we have clause 42 dealing with reasonable funeral expenses and, with some exceptions, debts and incumbrances to be allowed for in determining chargeable value of estate. Here again, the term 'reasonable' will have to be decided by the Controller, and the power to do so has been conferred on him.

Now, who are the persons accountable under this Bill? In clause 51(a) you will find—

> "(a) every legal representative to whom such property so passes for any beneficial interest in possession or in whom any interest in the property so passing is at any time vested."

You know that this includes executors, executor *de son torts*, administrators and administrator *de son torts*. Supposing at my instance a man had loaned money to a person X, and before he died, he had asked me to kindly collect it from X, and I collect it after the man's death, from X, then I become an intermeddler, because I have been collecting money due to the estate of the deceased, and so I become a person accountable under this Bill. Even though executor *de son torts* or the administrator *de son torts* do not really deal with the estate, still the definition given here is so large and wide, that many people will come under the category of persons accountable.

In clause 59(2) of the present Bill, you will find:

> "In any case where no account has been delivered as required by section 51 or clause (a) of section 55, the Controller may cause an account of the property passing on the death of the deceased to be prepared in such manner and by such means as he thinks fit and may call upon any person who in his opinion is accountable for the payment of estate duty in respect of the property to accept such account, and if that person does not accept the account or his liability, the Controller may determine the estate duty payable by that person."

Supposing there are five persons to whom the property can go, then he can choose one among them and say, I find this person is more substantial than others, and so he better accept the liability, because he is one of the persons accountable. It is open to the Controller to ask him to pay the duty, and under the scheme of this legislation, that person is liable to pay.

Then, Sir, take clause 65, sub-clause (3):

> "In any case where no account has been delivered as required by section 51 or clause (a) of section 55 the person who is called upon to accept the account prepared by the Controller under sub-section (2) of section 59 shall, within two months of his acceptance or, as the case may be, of the final disposal of the reference made under sub-section (1) of section 62, pay the full duty payable in respect of the property and the Controller shall thereupon grant him a certificate accordingly."

What I am pointing out is that very wide powers are conferred on the Controller, apart from the question of assessing the quantum of valuation. Take, for instance, the question of gifts. You know, Sir, that a gift has got to be *bona fide*. Whether it is *bona fide* or not, the Controller will determine. Suppose a person had made a gift of a house to his daughter and he had gone to live there for some time. The question is whether there is entire exclusion or not. That will be determined by the Controller. Suppose a man had died and his son had spent Rs. 1,500 for *Shradh* or for the funeral expenses. Who is to decide whether it is reasonable or not? The Controller. Supposing there are 5 executors, they are all technically accountable being legal representatives; or supposing somebody has realised some portion of the estate *bona fide*, even then as intermediary or executor *de son tort* the Controller can come down upon him and say: 'You are liable; you are the substantial person; you better be saddled with all the liabilities'. There are penalties which can be imposed by the Controller. "If the person accountable does not pay the amount of duty due from him...within the period specified therein, he shall be liable to a penalty of Rs. 1,000 or a sum equal to twice the amount due according to the Controller". Supposing the Controller determines that Rs. 10,000 is due, the penalty can be Rs. 20,000. What I am pointing out is that very wide—almost extraordinary—powers have been conferred on the Controller and things are left to his discretion, to determine the persons who are accountable, to pick and choose among persons accountable, to decide whether there is default, whether he is an executor *de son tort*, whether there has been any intermeddling with the estate and he has realised any portion of it, whether it is *bona fide* or not, whether after the disposition there was exclusion of the donor or there was no exclusion of the donor according to the strict terms of the law. There are so many things. He has been given very wide powers and I am appealing to the sense of fairness of the hon. the Finance Minister; let him accept this suggestion. What are we pleading for? We are pleading for this: that you have given very wide and extraordinary powers which cannot be really controlled by anybody. What is the good of going from one limb of the

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Exchequer to the other limb of the Exchequer? But, apart from that, should there be no Appellate Tribunal on these points which require decision?

Sir, you know that the powers of the High Courts and the Supreme Court under the Income-tax Act, which we are copying, are very restricted. I do not know whether I should say so, but the Supreme Court in a recent judgment has reversed Chief Justice Harris's and my judgment in the Calcutta Agency case, and the Supreme Court has given judgment which is the law throughout India. I am not making a grievance that my judgment had been reversed, but they have made it clear that every statement in the statement of case made by the revenue authorities shall be treated as final and sacrosanct and the High Court or any judicial authority in India has no power to go behind that. That is the judgment of Chief Justice Kania in the Calcutta Agency case. That is the law. Therefore, you just see the restricted scope of the power of the Supreme Court or of any of the High Courts to intervene. Suppose they say it is not entire exclusion of the donor. I make a gift of a house in Calcutta to my widowed daughter and I go and live there for two months in a year. I am not imputing any dishonesty or questioning *bona fides;* but he holds 'I am satisfied that there was no entire exclusion of the donor, because the father was going and living there for a month or two every year', Suppose he holds like that. The question of fact was there—whether entire exclusion or not. According to the judgment of the Supreme Court, the High Court or the Supreme Court has no power to deal with it. You must accept it. Chief Justice Kania's judgment is perfectly clear. He said the High Court was entirely wrong in even drawing inferences from admitted facts. We drew some inferences from admitted facts. But it does not matter whether you are correct or not. What the Supreme Court says is the law in India and you know under the Constitution it shall be binding upon all tribunals functioning throughout India. Therefore, the power of interference, power of revision, power of adjudication, power of giving relief is entirely restricted and circumscribed. You cannot get any relief.

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Now, these are all questions of fact—whether you intermeddle with the estate or not. You know, Sir, if a man dies making a will and then somebody realises some portion of the estate, he becomes accountable. You know the definition of 'legal representative' has been enlarged to include executor *de son tort*. Supposing a man dies intestate and you collect some portion of the amount due to the deceased, the same thing happens. A man dies; possibly he was an engineer or contractor. Certain works were being done by him and certain amounts were outstanding. He realises the money for which the deceased was working; then that gentleman becomes an executor or administrator *de son tort* and he becomes liable. This law solemnly vests the Controller with the power of determining—of all the persons—who shall be the person liable to render accounts. Just imagine, Sir. If he cannot render accounts—and rendering accounts is as contemplated by the statute—then, he becomes liable.

Mr. Deshmukh will earn the gratitude not merely of this generation and the succeeding generation, but of posterity yet unborn if he does only this amount of justice. Otherwise, every Member of Parliament will have to go back and tell his wife: 'When you become a widow, under Mr. Deshmukh's Act a real horror and torture will start'. Take, for instance, exemptions. Just see what is going to happen. Just see clause 32.

> "property taken under a gift made by the deceased for a public charitable purpose within a period of six months from his death, to the extent of rupees two thousand and five hundred in value."

shall be exempt. Now, the question is

this. You have made a gift to your nephew or niece. You have also made a gift to some charity. The question is: is it a public charitable purpose? That will be decided by whom? By the Controller. Just look at the wide ambit of authority. Take for instance, the next item.

> "property taken under a gift made by the deceased for any other purpose within a period of two years before his death......"

You know, Sir, it must be *bona fide*. Who will determine it? The Controller. Take, for instance, books not intended for sale. You know, Sir, in the Select Committee we were all practically unanimous and we put this. Who is going to decide the question of fact? The Controller. Supposing a lawyer, who was practising in the Supreme Court, dies, the Controller says: 'I include the law books which he has and nothing else'. He finds it as a fact, that only books Nos. 1 to 500 were not intended for sale and the rest is not exempted. Who is going to decide? The Controller. Will there be no appeal? Will there be absolutely no authority, an independent appellate authority, to determine whether that finding of fact is correct or not? Then again take drawings: drawings, paintings, prints, manuscripts, works of art etc. *which are retained in the* family of the deceased. Now that is a question of fact. Who is going to determine that? The Controller. How are you going to say that his decision shall be final, sacrosanct and immutable? For Heaven's sake, do not clothe one functionary with so much authority. You are throwing open the gates of temptation. I do not want to say anything more. Mr. Deshmukh knows that there are many complaints against the way taxation statutes have been administered in this country.

Then also drawings, paintings, manuscripts etc. which are not intended for sale; then gifts made by the deceased in consideration of marriage and to female relatives......

Mr. Deputy-Speaker: The issue seems to be narrow. There is an appeal provided for to the Board. The only point the hon. Member seems to be making is that it ought not to be the Central Board of Revenue, but an independent tribunal. Is that not so?

Shri N. C. Chatterjee: No, Sir, that is not my only point. My point is not merely on the question of the Board or the tribunal. I want an Appellate Tribunal, not merely in the place of the Board functioning under clause 61. Kindly see Section 61:

> "Any person objecting to the valuation made or the estate duty determined by the Controller or denying his liability to account for the duty payable in respect of any property or objecting to any penalty levied by the Controller under section 54, may, within ninety days......appeal to the Board......"

But, there are many facts, Sir. I am not denying my liability to account but, at the same time, it is held against me.

Mr. Deputy-Speaker: I thought that all the categories are here.

Shri N. C. Chatterjee: I doubt whether it covers all. Denying liability to account is one thing. There is appeal to the Board in the prescribed manner. But supposing I say I am not personally liable but you have held that this is one for no exemption....

Mr. Deputy-Speaker: In respect of any property? Let us take one after another. Denying liability to account. That involves two things, namely, that he is not liable at all to account and that he is not liable in respect of that property. Both are there.

Shri N. C. Chatterjee: But supposing there is no question of liability to account. I am pointing out that the finding of fact is wrong: that it is not a *bona fide* gift or that there is no entire exclusion.

Mr. Deputy-Speaker: In respect of any property?

Shri N. C. Chatterjee: What I am saying is that clause 61 does not cover all the categories I am emphasising.

Mr. Deputy-Speaker: There is only a simple point. These are explicitly given in clause 61 and it makes the intention of the framers very clear. At this stage we are on clause 4 relating to the various Estate duty authorities. One point is whether you want an independent tribunal or you want the Board. What further powers ought to be given by way of appeal will come under clause 61. Therefore we need not labour that point now. I do not think the intention of the framers of the Bill or even the Government is to exclude these categories. They are supposed to be exhaustive as far as possible. Therefore when we come to clause 61 we will go into all these details.

Shri N. C. Chatterjee: I am not trying to pin myself down to clause 61 and say that the scope of the appeal to the Board is limited. I am pointing out the ambit of authority of the Controller and what points he will determine.

Mr. Deputy-Speaker: I think it is all for the purpose of saying that the Board might not be charged with the responsibility of appeal and that it should be an Appellate Tribunal. The issue is narrow.

Shri N. C. Chatterjee: These are things that have to be decided by the Tribunal.

Mr. Deputy-Speaker: That is the point: whether this ought to be the Board or an independent Appellate Tribunal.

Shri N. C. Chatterjee: In this matter, I submit that it shall be only a judicial tribunal.

Mr. Deputy-Speaker: Therefore I am only suggesting that the hon. Member may separate clauses 61 and 4 and address himself to the present issue.

Shri N. C. Chatterjee: I do realise what is passing through your mind and I shall restrict myself to clause 4. But, what I am pointing out is that you cannot in isolation decide the scope of clause 4 and determine whether there should be an appellate tribunal or not. You must take the entire gamut of the sections and take the ambit of authority of the Controller when you say his decision shall be final, his opinion shall be final. Assuming you give the power to the Board, then the Board will be an absolutely unsatisfactory tribunal and so there should be an independent tribunal.

You know, Sir, that different Federations and Associations have submitted their memoranda and they have all been fairly unanimous in saying that there should be an independent tribunal. I am reading through the Federation's Memorandum:

> "Clause 61,—provides for appeal to the Central Board of Revenue. First, it is to be noted that appeals under this clause are granted only against certain orders of the Controller and there is no appeal against the determination under clause 53 by the Controller. That is a question of amendment. Further, under clauses 42, 44, 45 and 46, certain matters have to be proved to the satisfaction of the Controller and no appeal is provided against the Controller's decision under these circumstances."

Now, what I am pointing out is this. Even if you make the scope of clause 61 wide enough to say that there shall be an appeal against any decision of the Controller either to the detriment of the Exchequer or to the detriment of the assessee, then an independent tribunal is absolutely necessary for the final adjudication of this point. Both the Controller and the Central Board of Revenue are limbs of the same revenue collecting machinery and an appeal from the one to the other is of no practical value to the assessee.

An Hon. Member: From Cæsar to Cæsar.

Shri N. C. Chatterjee: From Cæsar drunk to Cæsar sober, I do not know.

The Board will naturally be sitting in Delhi and the appellants will have to incur a lot of expenditure in coming up to Delhi and, in small cases, it will not be possible for the appellants to come up here and therefore they will have to forego the opportunity of being heard personally.

My hon. and learned friends have already stressed that justice should not only be done but it should appear to be done manifestly. That is the cardinal principle of law and that can only be secured if there is an independent and impartial tribunal sitting within a reasonable distance of the place of the assessee, just as you have provided under the Indian Income-tax Act.

The Select Committee also realised the importance of having an independent tribunal. If I remember aright we discussed it and the Committee's report is....

Mr. Deputy-Speaker: How can the report by a majority be different from the actual wording of the clause?

Shri N. C. Chatterjee: May I point out what was said? The Committee's report.. .. .

Mr. Deputy-Speaker: What page?

Shri N. C. Chatterjee: Page 7, last paragraph, Sir.

> "The Select Committee feel that the administration of the Act may, for the first few years, be left in the hands of the Board and thereafter the question whether an Appellate Tribunal should be interposed may be considered, if necessary."

They are visualising that ultimately the Appellate Tribunal should be brought in. I am pointing out that this is a complicated and difficult statute, portions of which are almost inscrutable—and you, Sir, as Chairman of the Select Committee know that some of the clauses are so difficult to understand that even expert lawyers fail to make out the meaning. Even in England, some of the clauses, which we have copied verbatim, are still being discussed. The other day, the House of Lords set aside a judgment of the Appellate Court which stood ground for more than 60 years. Not only that, Sir. We know that people of small incomes will also be hit; they will be brought within the ambit of this statute. We have imported here certain things. You cannot get freedom of alienation in respect of at least real property unless and until you get a discharge certificate.

Supposing a man dies leaving Rs. 40,000 worth of property. Who will determine whether this is Rs. 40,000 or Rs. 50,000. Immediately the Controller will say that its valuation is Rs. 50,000 or Rs. 60,000 and he would not accept it as Rs. 40,000. You know, Sir, valuation is so elastic and there could be no honest difference of opinion on that. Therefore, there will be a good deal of torture and difficulty. The real property will be inalienable until you get the discharge certificate. Under this Act there will be a first charge covering the entire estate, every bit of real property. That is a very very dangerous thing.

We are giving here no exemption for residential houses. You know what is going to happen. Ordinarily a middle class man in Calcutta, Bombay or Madras has got a dwelling house, a little property left or some insurance money. Having regard to the very artificial appreciation of the value of land in the big cities the prices have gone up. Practically every house in Calcutta is worth over Rs. 50,000, if not more and, therefore, it will come within the ambit of the statute. On this point the most important thing is to know the psychology of the nation and to carry all the people with you who are going to be taxed. There should be a feeling of confidence. They should have a feeling that justice will be given to them. If you leave it to the Controller they will never secure confidence. An independent tribunal can possibly inspire confidence as it will have some judicial experience. There is no confidence among the people in the bureaucratic

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machinery. So having regard to all the relevant factors and having regard to the ultimate possibility of having an independent tribunal as envisaged by the Select Committee, it is essential that there should be an independent Tribunal.

Mr. Tek Chand has said in his dissenting Note on this point as follows:—

> "It is feared that in matters of valuation endless avenues will be open for corrupt valuers and officers to deprive the state of the just duty on the one hand and to bleed the tax-payer on the other."

This is a very cogent argument. This apprehension of corruption is not a mere chimera or fantasy. The decision of the Board will never satisfy an assessee. The Board will always stretch a point in favour of the Revenue authorities. So, I am supporting this amendment.

Mr. Deputy-Speaker: Hon. Members should try to cut short their speeches.

Shri K. K. Basu (Diamond Harbour): In view of the fact that you have fixed a time-limit, I do not propose to take a long time. Much has already been said by so many of our friends on this side and from the Government side. In view of the wide powers given to the Controller it is absolutely necessary that some sort of an independent tribunal should be there in whom people may have confidence.

The hon. Finance Minister has tried to throw some light from certain reports of the administration of the Income Tax Act. He says, "It has been found that the assessees now prefer to go to the Board rather than to the Appellate Tribunal that is there under the Income Tax Act."

Apart from going into the merits of it and our doubts about the manner in which the Income Tax Act is administered departmentally, as it is today, I would like to emphasise one point. In the Income Tax Act the administration of it is more or less very much restricted in its scope. There the interpretation is generally more of accounting and very little of legal proposition. Here we are going to enact for the first time in our country a law which from our experience in the Select Committee we know is a very very complicated one which even the learned Member, who spoke before, a lawyer of such standing could not at times find it easy to explain. Therefore, we feel that it is absolutely necessary that in the administration of this Act at a particular stage some provision should be made where judicial minds may be called upon to decide the matter.

The provision of appeal to the High Courts or the Supreme Court is very much restricted and that is also on a statement made by the Board, but we feel, as the learned speakers who preceded me, yesterday and today rightly emphasised, there is a large scope of interpretation of particular provisions of this enactment as to the exemption to be given and as to the persons accountable and so many other important things. I do not want to go into details; that will take a longer time. Therefore, I feel that it is absolutely necessary, at least initially at this stage, to establish an Appellate Tribunal where judicial minds should be associated.

As you know, in the Select Commitee there was a large volume of opinion in favour of the setting up of an Appellate Tribunal. But by majority and through some other manner we had to accept the present proposition that for the time being it should be done away with. But in the note of dissent as also in the speeches made yesterday and today, the speakers have all emphasized that the appointment of an Appellate Tribunal is absolutely necessary. Therefore, I urge upon the Government at least to consider this proposition and establish an Appellate Tribunal with judicial minds associated with it.

Now regarding the other point which Mr. Kilachand has made about the appointment of the Board of Valuers, I do not think the provision is necessary and I oppose it. In view of the doubts he has raised that the Controller should be guided by such Board of Valuers wherein two or three persons may have to use their judgment on the valuation of properties, I wish if by rule-making power any provision is made as in the case of valuers when the matter is referred to the Board where there is provision for arbitration. When the Controller is asked to assess a particular property there also we may have a similar provision. If the assessee so chooses and asks the Controller to refer the matter to arbitrators composed of valuers that may be done; otherwise the permanent Board of Valuers will have to assess small properties which will be more costly. In our zeal to collect more money,—I do not know whether it will be possible for the Finance Minister who is piloting this Bill to get much—, we should see that at least smaller assessees are not put to much hardship. Because, you know, in view of the limit we have put, a large section of the people will be affected, however small the quantum of such valuation may be. Therefore, I urge that the amendment for the appointment of an Appellate Tribunal should be accepted by the Government.

Shri S. S. More (Sholapur): I have already tabled two amendments Nos. 473 and 474 regarding sub-clause (4) of Clause 4. I did not speak up till now because hon. Members were discussing the question of Tribunal. I did not like to disturb the continuity of that particular topic but if you will now permit me then I will speak.

Mr. Deputy-Speaker: Yes, you can speak. All hon. Members, who have tabled amendments, if they want to speak may speak and the others may also support or oppose the amendment. All the amendments that have been moved are before the House.

Shri S. S. More: This sub-clause is very important. Subject to the rules and orders of the Central Government regulating the conditions of service of persons in public services and posts, the Controller may appoint such an executive or ministerial staff as may be necessary to assist him in the execution of his functions. According to my amendment No. 473, I want to take away the power from the Controller and give it to the Board. The Board may appoint such executive or the ministerial staff as may be necessary to assist the Controller in the execution of his functions. I would again request you to refer to the definition of Controller given in sub-clause (5) of clause 2. '"Controller" means a person appointed to be a Controller of Estate Duty under section 4 and includes a person appointed to be a Deputy Controller of Estate Duty or an Assistant Controller of Estate Duty;' if the word 'Controller' may mean even an Assistant Controller or the Deputy Controller, according to this definition, then possibly it may be contended by those officers that they have the power of appointing the necessary ministerial or executive staff. I do not know—I cannot anticipate—what the jurisdiction, the provincial jurisdiction, the territorial jurisdiction, of these controllers are. I should like to have some information from the hon. Finance Minister whether the controllers will be provincial officers or divisional officers or even district officers. Possibly, it will depend on the quantum of the cases they have to deal with. In large cities, there may be even wards. So, I think since the Central Board of Revenue is going to be the supervising authority subject to the control of the Central Government, the power of appointing ministerial and executive staff can better be entrusted to the Board. If these controllers who will be under transfer from place to place are entrusted with this power of appointing ministerial or executive staff, certain complications might arise. Yesterday, and even today—today, at the time of the question hour and yesterday, at the time of the half-hour discussion,—certain allegations were made that certain officers who were entrusted with the power of appointing subordinate staff indulged in nepotism, appointed their relations, and nepotism became the criterion for measuring efficiency. So, I fear if such officers are given this

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power of appointing ministerial or executive officers, then possibly there will be grounds enough for many to contend that these controllers are either appointing persons on the basis of relationship, on the basis of caste, on the basis of provincialism or even on the basis of the party in power. In the case of the Board, it will be different. It is a sort of institution. Men may come and men may go, but the Board will go on for ever. I believe that if the Board is given the power of appointing the staff—I think that a large number of ministerial or executive officers will have to be appointed—it will be good. Certain rules for appointment, qualification, recruitment, etc., will have to be framed, and if all these rules are to be implemented in a uniform manner, it is much better that the Board is invested with the responsibility of appointing these ministerial and executive staff. Otherwise, if we keep the present definition of 'controller', the Assistant Controller or Deputy Controller may get the power, because, by 'controller', we mean the Deputy Controller and the Assistant Controller also. This is my proposal, and I believe it will commend itself to the Finance Minister.

Shri Sinhasan Singh (Gorakhpur Distt.—South): The question is whether we should have the tribunal added or substituted to the Board. Mr. Chatterjee, in his very learned argument, has criticized the power of the controller, but I would like to know to whom these powers he wants should go. The clause, as it stands, describes certain authorities who will hereafter control the matters of assessment of estate duties. The Board is the final authority as provided in the clause, and below the main authority is the controller of Estate Duty. All the powers that are given in this Bill have been criticised by him—that immense powers are being given to him. But I would like to know as to whom this power is to be given. The only thing is, he has no confidence in the Board,—in his opinion the Board cannot give a right judgment; but in any case there would be a body to whom these powers are to be given. Here the Controller is the person to whom have been given the powers of assessment from the very beginning with an appeal to the Board. If there is anything wrong, then an appeal is provided under clause 61 even against the orders of the Controller. It clearly lays down that all questions arising out of the action of the Controller will be gone into and decided by the Board. The clause is very clear.

> "Any person objecting to the valuation made or the estate duty determined by the Controller or denying his liability to account for the duty payable in respect of any property or objecting to any penalty levied by the Controller under Section 54, may, within ninety days of the receipt of the notice of demand under Section 56, appeal to the Board in the prescribed form and verified in the prescribed manner."

So, the Board is there. The question is whether we should have a tribunal or Board. I have looked into the minutes of dissent given by Mr. Chatterjee as a Member of the Select Committee. There, he has not mentioned that particular clause 4 wherein he raises the objection now. He has unanimously agreed to the recommendation of the Select Committee. He has only appended two lines.

Shri N. C. Chatterjee: I have supported clause 61.

Shri Sinhasan Singh: It is only said at page (xvii) of the Report of the Select Committee that "I associate myself with the above minute of dissent of Shri Tulsidas Kilachand, M.P., on the following clauses of the Bill, *viz.,*—Clauses 9, 21, 33, 34, 47, 61 and 62." It is nowhere said that he has referred to clause 4 also.

Shri N. C. Chatterjee: If you kindly look at page (xxvii), clause 61, by Shri Kilachand, it will be seen that it starts by saying that "Appeals against decisions by the Controller should be before an independent tribunal presided over, preferably, by a High Court Judge."

Shri Sinhasan Singh: You have entered a minute of dissent. It is there. But you have not said a word about clause 4.

Mr. Deputy-Speaker: The hon. Member will kindly address the Chair.

Shri Sinhasan Singh: I am addressing the Chair. Today, he has referred to clauses 25, 35, 39 and 41. All these clauses only relate to the Controller. While objecting to the power of the Controller, he could have objected to the power that was given to the Board as well—that it should be replaced by the tribunal.

Now take the amendment of Mr. Kilachand where he has substituted the formation of the tribunal and the powers and the manner of decision by it. Therein, this Bill provides for appeals to the High Court and Supreme Court against the orders of the Board and High Court respectively.

Shri A. M. Thomas: That is only with regard to the question of law.

Shri Sinhasan Singh: Yes, there is the question of law—whether the amount assessed should be reduced or should remain as it is. Therein Section 65 is there. If the High Court reduces the amount, the Board is bound by it. If the High Court increases the amount, the Board is bound by it. And if the Board does not refer the matter to the High Court on the submission of a petition by a petitioner, the petitioner can directly approach the High Court, because there is a provision.

Shri A. M. Thomas: On pure and abstract questions of law.

Shri Sinhasan Singh: Yes; but it also means the appreciation of evidence. The High Court is there. The only point is whether we should have a tribunal or a Board. This Bill is meant for equalisation of property. Already there is enough room for litigation in this Bill. If you provide a tribunal, there will be immense litigation which will go to the Supreme Court without any tax being levied on anybody. If you read all the Bills, everywhere there is a loophole for great litigation. This will lead to huge litigation, for six months, one year and two years, on everything—*bona fide*, *mala fide* and so on. The whole purpose of the Bill will be defeated by providing a tribunal at every stage.

Then I have also certain amendment to move which, with your permission, I shall like to move. 'Valuer' as given here should be removed. Valuer will add and lead to corruption. The Controller is given the power, and the power of the Controller to value the property is defined in clauses 39 and 59. Under clause 39, the property is to be valued by the Controller, and in clause 59 also, the Controller's powers of valuation are given. So, everywhere, the Controller is given the power of valuing the property. What will be the power of the valuer then? I fear in appointing valuer, nepotism, favouritism and all these will go on. These valuers will become a source of great corruption, because a man who would be inheriting a lakh of rupees would not mind paying a few thousands and get the property valued at a lesser amount. My submission, therefore, is that the duty of assessing the property should not be entrusted to these valuers. It is better that one man shares the loot, than allowing so many to be corrupted. With this object in view, I have moved an amendment to the effect that sub-clause (3) which says that "The Central Government shall, within twelve months after the commencement of this Act and may thereafter, from time to time, appoint a sufficient number of qualified persons to act as Valuers for the purposes of this Act and shall fix a scale of charges for the remuneration of such persons" be also deleted.

This provision, of course, will serve as a solution to the unemployment problem and several persons will get employment in the field organisation; but it will not serve the ultimate interests of the country as a whole.

Shri Raghuramaiah (Tenali): I am sorry I have to disagree with the line

[Shri Raghuramaiah]

of reasoning taken by my predecessor. I am one of those who are most surprised that the experience gained by the Government in the administration of the Income-tax Act has not been brought into this measure. As a matter of fact, during the discussions on the Income-tax (Amendment) Bill recently an opinion was expressed by quite a large section of this House against the continuance of appeals to the Commissioner of Income-tax. It was urged that appeals should go to a judicial officer. In spite of the fact that there is a provision in the Income-tax Act providing for appeals to an Appellate Tribunal, it was pointed out that even at the earlier appeal stage there should be a judicial officer.

Here I am surprised that the provision for an appellate tribunal itself is not to be found. The most potent argument I can advance in support of the appellate tribunal is that this Bill is an infant measure so far as this country is concerned. There are no standards; there are no particular traditions, of taxation. We have to start from scratch. And in a measure like this, at a stage like this, to leave it to—you will forgive me if I use the word—'vagaries' of the executive, would be most unsafe to the tax-payer. As a matter of fact, in a measure like this, it is against the canons of taxation justice to leave it entirely to the executive.

I am conscious of the fact that provision has been made in the Bill for appeal to the High Court on a question of law; provision has also been made in the Bill for revision of the assessed valuation by an arbitration tribunal, one to be nominated by the Board and one by the party concerned, and if there is any difference of opinion a third party to be nominated by the Board. Just when we are starting a measure like this it is very necessary that we must assure the tax-payer that no injustice will be done. I am afraid the present provision will not instil that confidence.

There is, unfortunately in this country, a great prejudice against people who inherit properties, and the taxation department will be only too ready to grab whatever comes. All the neighbours in the village concerned or town concerned will readily support the taxation authorities, because, as I said, there is always a prejudice against a person who inherits. At any rate, in the case of income-tax sometimes the tax collector may have the feeling: well, this man has earned, has put in a lot of trouble; let us leave something for him. But in the case of a man who inherits, the prejudice is too much and therefore the tax collector will always be too ready to grab.

What is this appeal to the Board of Revenue? The Board is not surely going to make an elaborate enquiry into the valuation of properties in the lakhs and lakhs of appeals which will be pouring in from every part of the country. It is impossible. Take for instance agricultural property. To arrive at a valuation of a particular piece of land one has to go into the sale deeds of a particular period, and a lot of evidence, oral as well as documentary, has to be looked into. Is it considered possible or feasible for the Board of Revenue to go into such elaborate detail in the case of every appeal that will pour into its office? It is, if I may say so, almost impossible to do that. Then the Board would cease to be the Board of Revenue it is now: it will become merely an authority wholly seized with entertaining, hearing and disposing of appeals.

One other very important reason is this. My hon. friend who preceded me said that there is an appeal to the High Court. Appeal to the High Court on what ground? Only on a question of law. Appreciation of evidence, my friend argued, will amount to a point of law and therefore in almost every case we can make out a case like that and go to the High Court. Those of us who have practised in the courts know how difficult it is to get second appeals admitted on that ground. Of course, appreciation of evidence can always be urged as a point of law, but it is a point which, I am sorry to say, is hardly looked into.

Therefore the provision made in the Bill is wholly inadequate to meet the situation. It will not inspire confidence among the people. And what is the argument against introducing the appellate tribunal system in this? I have heard some people say it is because we have no particular traditions in this country. Well, if four or five tribunals are entrusted with a matter like this, there may be conflicting and contradictory judgments at the initial stages. Well, that is just the reason why I say there must be an appellate tribunal. It is because there are no standards by which the valuers can be guided that we want a judicial frame of mind to be brought into this and if there is to be any conflict between the different tribunals on a point of law we have the High Courts to set it right.

[SHRI PATASKAR *in the Chair*]

I understand that even in English law, from which we have largely borrowed this, an appeal lies to the County Court, both on a question of law and on a question of fact. I am rather surprised that when for the first time we are introducing a measure of this nature, which is going to affect every propertied person in this country, when we are following a new and absolutely untrodden path, we should leave it entirely to the executive. After all the Board will have to depend in the last resort on the valuer; an appeal to the Board becomes a mere formality and a nominal thing. The Board cannot look into all things. It will have to depend on the reports received from valuers. I do not know whether they will allow the appellant to appear by counsel; whether they will have so much time to look into every case. Invariably they will have to depend on valuers, so that the original valuer becomes the appellate authority and the final authority.

I would therefore earnestly request the Finance Minister to see that provision is made in the Bill for an appellate taxation authority which will be a judicial one and which will go into both facts and law and also to see not only that justice is done, but that justice also appears to be done.

Shri N. P. Nathwani (Sorath) *rose*—

Shri T. N. Singh (Banaras Distt.—East): At least some persons who hold different views should be given an opportunity to speak.

Shrimati Sushama Sen (Bhagalpur South): I have got some amendments and should be given a chance to speak.

Shri N. P. Nathwani: I rise to support the demand made for an appellate and independent judicial tribunal. Weighty and cogent arguments have been advanced in support of that amendment and I am not going to repeat them in a different form. I would only like to reinforce that demand with a few observations of my own. Every taxing measure, particularly when it is new, is disliked by the people. It is an axiomatic truth,—as true as the one which says that if you are in love you cannot be wise. Similarly you cannot tax and please the people. But once a taxing measure has been enacted, the grievance of the people is not so much against the taxation as such, as against the inconveniences and the hardships which they have to suffer at the hands of the administrative authorities. A tax-payer feels himself helpless in these circumstances because he knows that it is the officer who is going to decide his liability in the first instance. And he also feels—not unjustifiably—that the superior officer to whom he can prefer an appeal will be at least, slow in reversing the decision of the deciding authority. It is in these circumstances that he has to put up with the inconveniences and the hardships that he is subjected to.

There is another aspect also to this situation. There is a danger in this for a tax-payer to offer and for the authority, who is to decide the question in the first instance, to accept illegal gratification. These evil consequences or tendencies can be effectively counteracted if you provide for an appeal to an independent tribunal.

[Shri N. P. Nathwani]

There is one more aspect. Apart from the impartiality and the independence of the Board of Revenue, we must also bear in mind the scope and function of a right of appeal. You know, Sir, that a right of appeal serves two purposes. The one which is most known and which is uppermost in our minds is this, that you can get a wrong decision reversed by an appellate authority. The second purpose which a right of appeal is intended to fulfil is not equally appreciated or is not equally understood. It is this. It requires the officer or the person who has to decide the question in the first instance, to take a judicial attitude towards the question. It protects him against his own vagaries. He knows that if the tax-payer is aggrieved he would go in appeal and get set aside his decision, provided it is wrong. And if he knows that an appeal would lie to an independent judicial authority he is prevented from acting in an arbitrary or capricious manner. It helps him also in capturing and maintaining a judicial frame of mind, a proper and balanced outlook towards the question. It is the crux of the whole problem; because one should feel that the authority who is deciding his liability in the first instance keeps a proper judicial outlook. That is why even in judicial cases where the dispute is between two citizens, and even when it is between a subject and the State, we have provided for one or two appeals, and even in same cases a third appeal to the Supreme Court. The purpose is to stop an officer or an authority from acting in an arbitrary or capricious manner.

I heard the hon. the Finance Minister say that of late there has been a tendency for the number of appeals being preferred to the Income-tax Tribunal to fall. I would certainly like to know how far this fact, that there is an appeal to an independent tribunal, has contributed to this result. Certainly I am inclined to take the view that it must have helped the authorities to bring a sobering outlook to bear on the question.

There is one more question. It has been stated that there is a provision for a statement of a case to the High Court and even, in some cases, to the Supreme Court. But you have made the Board of Revenue the final authority on the question of facts. And this finality on the part of the Board of Revenue detracts from the utility of this provision for stating a case to the High Court or even to the Supreme Court, because questions of law will in many cases depend on the questions of fact.

This brings me to the history of section 33 in the Income-tax Act. We all know that there is a provision for making an appeal to the Appellate Tribunal under section 33 of the Income-tax Act. It was introduced for the first time in the Income-tax Amending Act of 1939. The Bill in that behalf was brought forward in 1938. In that Bill Government did not propose for an independent tribunal. Even the Bill as emerged from the Select Committee did not refer to this. But there was an indication in the Report of the Select Committee that the Government would bring forward proposals for an appeal to an independent tribunal. And while speaking on the motion for considering the Bill as it had emerged from the Select Committee, the then Leader of the Opposition, Shri Bhulabhai J. Desai made certain observations as regards the importance and the necessity of having an independent Income-tax Tribunal. Sir, I will quote some relevant passages from his speech. Those observations still hold good.

This is what he says. He proceeds to deal with this aspect even before going to the various clauses of the amending Bill.

> "The first point which I wish to deal with, though it may not be quite in the order of either of the sections or of the clauses, is a point dealing with what I may call the redress which the assessee will get and the tribunal from which the assessee is likely to get it as compared with the present Act. Honourable Members must have

seen from the report of the Select Committee that a radical, and according to my humble judgment an important change has been made from the practice which has hitherto prevailed and against which there was agitation. Under the Act as it stands, all appeals were to what you may call the administrative superiors of the Departments and ultimately ending, so far as questions of law were concerned in specified matters, by a case stated to the High Court with a right of appeal to the Privy Council."

It was similar to the provisions in this Bill. He continued:

> "So far as the present machinery was concerned, it was certainly lacking in one important respect, that apart from any question of law which may be referred to the High Court there was wanting an appeal to an independent tribunal without necessarily impugning the impartiality of those administrative members of the hierarchy who sat for the purpose of deciding appeals. I am not meaning any offence or letting out any serious secret when I say that on some occasions either the First or the First appellate authority frankly told me at the end of the argument that whereas he probably agreed or sympathised with me, he had administrative or executive instructions not to allow the argument to prevail but to state the case and that was the utmost he could go."

We are afraid this is what is likely to happen under the present Bill also. He went on:

> "That Tribunal will not be part of the administrative machinery of the Income-tax Department. That Tribunal would be independently appointed by the Central Government."

Then, he continued:

> "I emphasise the right of appeal on questions of fact because hitherto my experience has been that after you have reached the Income-tax Commissioner, when we go to the High Court, however badly he states the facts or however erroneously he may choose to record a finding upon them, we have no redress."

Because, his findings on facts are final and the High Court would not go into that question.

> "We feel that so far as this particular matter is concerned, those who represent the Government have fairly met the demand of the public in so far as they desired that there should be an independent tribunal."

I wish I could say the same thing with regard to this measure also.

> "I am therefore in a position to state that when these sections are presented to the House apart from the details and apart from the manner of their working, they will receive the attention of the House...... I single out this matter because, in my judgment this is a particular piece of additional privilege, a privilege which is granted not merely because it was a favour but a privilege because it was a just thing that the tax-gatherer should not, in most instances, be the only judge as to how much he will take."

I commend these observations to the hon. Finance Minister and also to my hon. and esteemed friend Kaka Saheb Gadgil because I see him taking some notes. Though I understand that he is going to support the omission of the independent tribunal, I beg to remind him that he was present when his then leader spoke about the necessity and importance of this measure and must have nodded his assent to that.

An Hon. Member: He was a back-bencher then.

Shri Nathwani: With these words, I conclude.

Shrimati Sushama Sen *rose*—

Mr. Chairman: Yes; Shrimati Sushama Sen. She has no amendment to this section; it is to some other section. However she can speak.

Shrimati Sushama Sen: The legal experts have already given their opinion. I am no lawyer. But, from a woman's point of view and also from the common sense point of view, I think it is absolutely necessary that there should be an independent appellate tribunal.

Some Hon. Members: Commonsense should prevail.

Shrimati Sushama Sen: I should like to point out that in the original Estate Duty Bill of 1946, there was a provision for holding an enquiry into the valuation of the property and then if such a person disputes his accountability or correctness of the account, the Board may move the High Court to hold an enquiry into the matter. Subsequently, this provision has been deleted from the present Bill. I think, in order to gain the confidence of the public and for the Government to be above criticism, it is absolutely necessary that there should be an appellate tribunal. At the same time, I feel that perhaps the setting up of an independent tribunal may cost the Government quite a good sum of money and I do not know if the Exchequer is going to get very much revenue from this Estate duty. But, I feel that a High Court should hear the appeals. I do not want to take the time of the House; but I would earnestly request the Finance Minister to consider this question impartially.

Shri T. N. Singh: I have been listening to the speeches from the various sides of the House since yesterday and I feel that probably the fight that goes on outside this House between the tax evader and the tax gatherer has got somehow reproduced in a smaller way here also. (*An Hon. Member*: Question.) It may be questioned.

Dr. Lanka Sundaram (Visakhapatnam): Are you a tax-gatherer?

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Shri T. N. Singh: I am not a tax-gatherer. Nor am I a tax payer being a very poor man. This question of having an appellate tribunal, appellate courts and super appellate courts, even if we have ten courts of this type, it is not going to make any difference in what the public feels. Much has been made of the words 'it should also appear that you do justice'. Very fine phraseology, very fine sentiment. I want to know whether merely the existence of tribunals and super tribunals is going to create that feeling. Ask any man in the villages.

Shri A. M. Thomas: We do not want super tribunals.

Shri T. N. Singh: There are number of appellate courts, beginning from the magistrate or the Tahsildar, right up to the High Court or Supreme Court. Ask him what faith he has in the costly justice that is dispensed today. The rich man, the man with a purse always can manage to get justice in his favour because a poor man cannot fight even a just case. He cannot pay the lawyer his fees. That is what is happening. I can also tell you my own experience and what I think of the Income-tax appellate tribunal. We have got some tribunals here and they are said to be functioning. Ask a poor tax payer or a middle class tax payer; it is with him that I am concerned. They come here. Delhi is a costly place. They have got to stay here for days together and then go back. Do you know the judgment of the appellate tribunal? They say, look here, we think that you and the Government should compromise. That is what the tribunals are doing in a majority of cases. Are we going to have similar tribunals in the case of Estate duty also? Here again, you have the question of taxes. More cases are settled by negotiation. Always that has been my view. When the question of fixing fair wages to industrial labour comes up, our industrialists come forward and say, let the economic laws govern the matter, let us not have industrial tribunals. All these questions of fairness and that justice should appear to be done, are forgotten. When the zamindar has been charging any rent, he must have the Executive, Revenue courts to decide the matters. There was no question of judiciary intervening. Here, in this case, when a very small portion of our population is affected, all high-sounding principles of jurisprudence, equity, judiciary, etc. are quoted. I strongly feel that the moneyed class people seem to have a lot of supporters. (*Interruption*) Are we going to administer the country and take it forward in this fashion? I have been also seeing the Income-tax Act working from close quarters. I have found that if a middle class taxpayer just goes straight and tells, this is my income, in 99 cases out of 100, he is able to come to an arrangement. It is only the person who has to pay lakhs, who wants to evade the tax, that wants the appellate tribunal. Can anybody challenge that statement of mine? I have yet to see a middle-class tax-payer who wants this appellate tribunal. I have a lot of occasions to mix with people; I have not heard of this claim. Yet, this claim is brought forward because a few people want to have that benefit, or evade or postpone the tax. If we calculate the percentage of income-tax appeals that come before these appellate tribunals, it is a very small percentage.

Shri C. D. Pande (Naini Tal Distt. *cum* Almora Distt.—South West *cum* Bareilly Distt.—North): The small people are putting up with all the hardships.

Shri T. N. Singh: They are not.

Shri C. D. Pande: They are. I can give you instances where very poor shop-keepers have been putting up with all hardships. They have no remedy whatsoever.

Shri T. N. Singh: I know of instances where very rich people have evaded tax by paying only Rs. 100 as tax.

Shri C. D. Pande: What is the remedy for the poor people?

Shri T. N. Singh: That is what I am talking about.

Mr. Chairman: Let us avoid these cross talks.

Shri T. N. Singh: In this matter questions of equity and justice etc., are all brought in. When the wages of labour have to be fixed, when the tenant's rent has to be fixed, all the judicial principles are given the go by. Why should they not be given the go by in this case? For this very reason I strongly support the present Clause as it stands.

Shri S. V. Ramaswamy (Salem): Two wrongs cannot make one right.

Shri T. N. Singh: Let us have it as it is, and let us not bend to the criticism that, after all, it is the underdog which will always suffer.

Shri Sarmah (Goalghat-Jorhat): This subject has been very fully discussed these two days, and I had really no mind to take part in it because I have another amendment. But, after what I heard from the hon. Member, Shri T. N. Singh, I feel compelled to make certain submissions.

He is pleased to say that we see here something of the struggle going on outside the House between the tax-gatherers and the tax evaders. I am sorry that he has chosen to cast such an aspersion. To my mind the discussion that we have entered into these two days relates to the already silenced controversy which we had in respect of separating the judiciary from the executive. I submit that the point we are raising here, *viz.*, whether there should be an independent appellate Tribunal or it should be left to the Board, is allied and correlated to the subject which was agitating the mind of Indians for

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three or four decades in the past and it was decided and accepted by all sections in India that we should have the judiciary separated from the executive. The position that we all took there—the great Congress organization being in the forefront—is absolutely clear, that in this country the judiciary should be separated from the executive, and the legislature also should be separated, and all these three wings should be acting separately and independently to the best advantage of the people. Are we going to reopen the same controversy? I should have been glad to hear what the Government have to say on this point.

Shri A. M. Thomas: They have already said.

Shri Sarmah: I have not been able to follow why the Government is proposing to take to this anti-progressive measure. Here, do we really go back upon the accepted principle that the judiciary should be separated from the executive? If we do not, how do we plead that in such an important taxation measure there should be no independent judicial Tribunal to arbitrate between the tax-payer and the tax-gatherer? I say so not out of any diffidence, not out of any, should I say, lack of confidence in our officers. Our officers no longer serve British India. Our officers serve Bharat, and in Bharat we must learn to respect and trust our officers so that they may have the morale and the heart to serve Bharat well. It is not out of a feeling that we do not trust them, as another hon. Member speaking before me, Mr. Mishra said, but on the principle which the Congress accepted about fifty years back, the accepted principle which stands the ground in India today, that the executive should be separated from the judiciary, I submit, that I support the view that we should have an independent judicial Tribunal.

What is the harm in having a judicial Tribunal? The Board already acts for the Government, and it is there to see that the law is administered properly, that those who should pay tax may not evade, and that their administrative function is performed properly. Herein we do not want either leniency or favour in one way or the other. No leniency is expected in administering the law. All that is wanted by all lovers of democracy is that fair justice should be done to all alike, and I submit rather than the Board, an independent judicial Tribunal will be better placed to do fair justice; and at any rate, the people of India will have a feeling that this taxation measure has been administered properly. There may be instances wherein you may pick faults in the administration of justice also, but that is a different thing. I hope that our Government will continue to show the greatest regard for the judiciary in this country, because it is really an impartial, fair and independent judiciary that is the strongest safeguard for democracy, which we are aspiring for in India. I hope the hon. Finance Minister will not find it difficult, though he may be advised otherwise by others, to accede to the general concensus of opinion that there should be an independent Tribunal.

Several Hon. Members *rose*—

Mr. Chairman: I realise that the point that is being discussed now is certainly of very vital importance, but all the same, as it is being discussed since yesterday, I would request hon. Members who are desirous of speaking—because I get chits and also I see so many people standing—that they would avoid at least repeating the same argument, because we have not only this amendment which is important. This point is important, but the whole Bill is important, and we have to consider so many things. It is better that people restrain themselves. That is my idea.

Shri M. S. Gurupadaswamy (Mysore): On that side, not on this side.

Mr. Chairman: Anyside. I am not concerned.

Shri Gadgil (Poona Central): I have heard all the arguments advanced by various Members on this side. I have nothing but respect for these arguments, but in this particular context I differ from them, not on the principles of justice and independence of the Tribunal or the judicial procedure, this, that and the other. I am looking at this point from a different point of view, and that point of view I propose to place before this hon. House.

My friend Mr. Nathwani referred to certain speeches made by Shri Bhulabhai Desai, under whose leadership I had the privilege to work as a Member of the Congress Party, and also as Secretary of that great party. I want to tell him that those were different times, when the entire executive was presumably against the people as such and we were anxious at every stage, wherever it was possible, to curtail the powers of the executive, and hence we insisted on the constitution of an independent Tribunal for the purposes of deciding certain Income-tax Appeals. Now, the entire constitutional and political context has changed. Here we have a Parliament with Members so vigilant about the rights and privileges not only of themselves as Members of the House, but of the privileges of the citizens at large that every little case of corruption, whether it be in this department, or even a slight example of nepotism is ventilated out of all proportion on the floor of this House. Therefore, we must not start with prejudice—that is the point I want to make out—against the executive as such. Let us start with this, that since it is a new measure, let us for some time invest the executive with the power as proposed in this Bill, watch it for a couple of years, and if, after watching it for two or three years, we find that predominantly results which we expected have not come, then it would be a good case for going away from the arrangement as contemplated in this Bill to the arrangement proposed by some of the Members.

But if we start something like the judicial tribunal to begin with, and if our experience after two or three years is something different from what is expected, then it would be a definitely reactionary thing to go back from that arrangement to the one proposed now.

It has been suggested that there is such a thing as the executive mind or the judicial mind. Of course, this distinction can be reduced to further subtleties. But by and large, today the executive has as much to deal with judicial matters, as the judicial authorities with administrative or executive matters. Therefore the two things are not 'compartmentalised'. And nobody can be found who can claim to have a fair balance of judgment, a fair sense of justice or fair play, and at the same time have a fair realisation of the needs of the community.

Talking about the independence of the judiciary, I have every respect for those who form our Indian judiciary, right from the lowest rung of the ladder up to the Supreme Court. But let me very humbly put before the House the fact that after all those persons who administer and interpret law are members of the community in which they live, and are not entirely insulated from what trends, opinions or tendencies on the political and other planes are working in the life of the community as a whole. Justice Holmes of America said that even the highest judicial mind was not free from what he called the unconscious social premise.

Dr. Krishnaswami (Kancheepuram): Inarticulate social pemise.

Shri Gadgil: I accept that word as more accurate. This does not mean that I am impugning the judicial balance of any person here or there. If we adopt the suggestion that has been made on the floor of this House, what is the result? Instead of the

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administration being left to the executive, more or less it will be left to the judiciary. Now what are the things that some of the people here would like to be taken before the judiciary? Every question of fact, whether a particular deduction allowed was good or bad, whether the gift was *bona fide* or not, whether a person is accountable or not, etc.—all these facts should go before a court. If all these were to be challenged in every case before a tribunal in the region in which the deceased has died, then it virtually means that there is nothing for the executive to administer, because everything goes to the judiciary.

Consider the full implications of this. When a tribunal has to consider the question of valuation in any ordinary proceeding, as for instance, the acquisition of a house or the acquisition of land, what does it do? It appoints experts to do the valuation, and it accepts the report of the experts on the point of valuation. Here also, assuming we constitute a judicial tribunal, that tribunal will perforce have to ask the executive to suggest some experts, or ask the party concerned to suggest some experts, and the report of the experts will be accepted. This is exactly in substance the scheme proposed in this Bill. There must be some men, vested with some authority to do the valuation, either at the initial stage or right from the initial stage up to the final stage, whether the matter is to be decided by the judiciary or the executive. Somebody must go and make a preliminary valuation. You cannot prevent any person from making his first report on the valuation of the property; whether he be the Controller or an expert appointed by the judicial tribunal, he must go and see the property. If you leave the matter to the executive, the officers of the Ministry or of the department concerned, who by their very composition, are so close to the event or the scene, have the impact of experience upon themselves, which is so correct and direct, as would not be the case if a judicial Tribunal is asked to do all these things. My submission is that so far as the people are concerned, they are more likely to benefit from being subjected to the process that has been visualised in this Bill. It is not as if the word of the Controller is accepted as final and conclusive. Under clause 61, any person who is dissatisfied either with the valuation or with the fact that he has been pronounced to be accountable for the payment of estate duty can go to the Board. The Board of Revenue has a certain procedure. I understand lawyers will be allowed to appear before the Board. What some hon. Members visualise as pleading before a judicial tribunal can as well be pleaded before the Board. The procedure here will be necessarily informal, whereas the procedure before a judicial tribunal will be more elaborate, the pleadings more formal and the evidence more strict. There are certain things which have to be formally proved, if you go before a court. A murder may take place in the presence of the judge. But unless it is formally proved by some other person, the judge cannot import his knowledge in the finding on any particular case.

Shri C. D. Pande: So abolish all these courts, for it is no use having these trials! (*Interruptions*).

Shri Gadgil: The point that I was making was that those who deal with the matter in an administrative way can better realise the difficulties of the particular person who is to be taxed, for they have more means of knowing his exact position than can be formally proved in a court of law.

Shri Sarmah: Private means? (*Interruptions*).

Shri Gadgil: If you do not want to agree with me, I have no grievance. But let us analyse the procedure.

Shri A. M. Thomas: Is it the hon. Member's contention that the standard of proof that is necessary in the case of the ordinary courts is the same as in the case of these administrative appellate tribunals?

Shri Gadgil: The hon. Member has understood what I said. (*Interruptions*).

Mr. Chairman: The main issue before us is very limited, whether the appeals are going to be heard by merely the Board or as is suggested, by some appellate tribunal, consisting of judges and certain other people. The object will be served, if hon. Members would confine themselves to this point. It will be better if both sides avoid referring to what the judicial courts do, whether the executive is better or whether the judicial courts are better and so on. I would suggest that all these things may be avoided.

Shri Sarmah: May I respectfully ask through you, the senior hon. Member, Kaka Saheb Gadgil, whether he is arguing for recombination of the executive and the judiciary? (*Interruptions*)

Mr. Chairman: Order, order.

Shri Sarmah: We are entitled to understand what he is talking about, whether he is arguing for the recombination of the judiciary and the executive.

Shri Gadgil: I am talking in a very reasonable frame of mind, and I wish I could say that of the hon. Member who has just interrupted me. I was comparing the formal procedure followed by the judicial tribunal and the informal one followed by the Board. If there is an informal procedure, the man who is to be taxed is better off than when there is a formal procedure, where everything has to be formally proved, where the evidence is stricter, and where the procedure is much more elaborate and costly.

Shri N. C. Chatterjee: When he says 'informal', can the hon. Member do like this?

Mr. Chairman: Order, order. Let the hon. Member proceed with his speech.

Shri Gadgil: Then the question of corruption was referred to. Has corruption stopped because we have an elaborate machinery for dispensation of justice?

An Hon. Member: It has been mitigated.

Shri Gadgil: Corruption has not much to do with the machinery here and there. The corruption is due to the low morals prevailing in the community. If by some legislation you can raise the moral standard of the community, and improve the mores of the community, that is another matter. But to say that because of the possibility of corruption, you must entirely change this machinery is not correct. The main point I wanted to suggest was this. Since this is a new Bill and the principles on which this Bill is based are somewhat not very well accepted by some of the Members in this House, I suggest that we may try for a year or two the method suggested in this Bill, and if after two years' experience it is found out that this will not do, certainly the Government can come before the House and ask for a change.

Shri Raghavachari (Penukonda): What about the experience we have gained in other departments?

Shri Gadgil: After all, let me understand for whom is all this advocacy? (*Interruptions*). I can understand that every citizen has a right to have fairplay and justice.

Shri A. M. Thomas: For the common man.

Shri Gadgil: Even the common man. That measure of justice is assured here by the provision for the Board, and if there is any question of law, then there will be an appeal to the High Court and the Supreme Court. Also under clause 60, there is a power of review for the Controller and if anybody is dissatisfied and feels that he has been overcharged, he has a right to make an application

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under clause 60 and get the thing corrected.

Shri C. D. Pande: Appeal to whom?

Shri Gadgil: To the Controller.

Shri C. D. Pande: From Controller to Controller?

Shri Gadgil: Just as you repeat and realise your mistake, the Controller is also a human being and it is not unlikely that he will realise his mistake.

Therefore, I submit that the present position, as visualised in the Bill, should stand till experience justifies a departure from the same.

Many Hon. Members *rose* —

Mr. Chairman: Mr. Altekar. May I make a suggestion. I find there are a number of hon. Members who want to take part in this debate. As I said, this is no doubt an important matter. But it is better that hon. Members avoid going into the merits of whether the judicial system is better or whether the executive is better, and confine themselves to the present amendments as they stand so that many more Members will have an opportunity to speak.

An Hon. Member: The question is Tribunal or Board?

Shri Barman (North Bengal—Reserved—Sch. Castes): As the whole clause is going to be discussed, there are other important matters also.

Mr. Chairman: I will call upon the hon. Member also.

Shri S. S. More: May I make a submission, Sir, According to the schedule drawn up by the Business Advisory Committee, which has now been accepted by the House, we have to finish discussion on clauses 2 to 29 by tomorrow evening. As a matter of fact, there are important clauses among these..........

Mr. Chairman: That is what I myself suggested even before.

Shri S. S. More: Many hon. Members are repeating the arguments. By repeating them, of course they gain emphasis, but that cuts away the time.

Mr. Chairman: The hon. Member will remember that just before Mr. Gadgil started, I made the very same suggestion.

Shri S. S. More: I am just supporting you.

Mr. Chairman: I am trying my best to see how to curtail it. (*Interruption*)

Shri S. S. More: I propose that the question be put now.

Shri Altekar (North Satara): Sir, I rise to support the amendment for the establishment of an independent Appellate Tribunal..........

Shri S. S. More: We have had enough discussion and with Mr. Gadgil's advocacy, the matter has been finally finished.

Shri Syamnandan Sahaya (Muzaffarpur Central): Do you intend that there will be a guillotine used in the House in a legislative matter like this. I do not know whether this is a procedure which the House will accept.

Mr. Chairman: Let there be no excitement. I am not going to unduly stop the discussion upon important matters like this. I am going to curb the discussion by suggesting to the Members that instead of a closure motion, if they restrain themselves a little and confine themselves to the points at issue, we may have sufficient time to discuss other matters also.

Shri Syamnandan Sahaya: This is the most important thing. (*Interruption*).

Shri Altekar: In this discussion on the Estate Duty Bill, time has become even more valuable than the estate itself. Now, without repeating any arguments, I would like to submit that the proposition laid down by my hon. friend, Mr. Gadgil, is not a very sound one—that there is any sort of prejudice against the executive. (*Interruptions*). The question is one of securing justice in a proper and accepted way to the ordinary man. For that purpose, I would submit, Sir, that an independent judicial tribunal is necessary. My first reason is this. The Controller will be guided by the orders and instructions that are given by the Board itself, and when he has decided a certain question in that way, an appeal to the Board is practically of very little value; because the Board may have got certain interpretations and certain notions about the provisions in this Bill and if they have come to certain decisions in that way, they may issue circulars or orders and the Controller will not go beyond that. Now, if the Board has taken that decision what value will there be—of any appeal to the Board itself? The question is as regards interpretation of the various clauses in this Bill when it becomes an Act. From that point of view, there should be an independent tribunal for that purpose. That is one of the reasons.

Another reason is that if for purposes of the administration of the Income Tax Act, there is an independent tribunal, there ought to be one, much more so, for the purposes of this Act, where the question arises once in the life of a man. (*Interruptions*). That is, once only after the life of that man. Well if so far as the Income Tax Act is concerned, there is a provision for an independent tribunal, much more so will it be necessary for the purposes of this Act which, involves many questions of law, very complicated questions of law, at the time of enquiry for levying the estate duty. There is a provision here for appeal to the High Court or the Supreme Court, but it is only purely on the question of law. But there are many questions so far as estate duty is concerned which will be mixed questions of fact and law. Take, for instance, the question that arises, whether a certain property is self-acquired or part of a co-parcenary property.

An Hon. Member: That will go to the High Court.

Shri Altekar: But it has been provided that only questions of law will go there. There are certain mixed questions of law and fact which cannot be so separated. It may be argued that these are all questions of fact and the Controller and the Board have come to a decision with respect to those questions of fact, and as the question of law involved questions, which have been finally decided, the Supreme Court will not be in a position to decide those matters. The position has not been clearly stated here. Therefore, I submit that so far as these questions of fact and law are concerned, the High Court or the Supreme Court will have possibly to come to a decision that they are unable to admit the appeal. That is another difficulty.

Another point is that an appeal to the High Court by way of reference is not so easy a thing as a regular appeal in ordinary cases. This is so, firstly because it involves great costs, and secondly, it is rather at a very distant place and ordinarily it will be not very easy or convenient to the person to go to such courts. Therefore, there should be regional courts. and so far as the first appeals are concerned, they should be before the tribunal and not before the Board.

Another point which I would like to urge is this. It may be said that because there are Valuers who are to be appointed under this Act and they are independent of the Board, there will not be great trouble. I beg to submit that these Valuers will be persons who will value the estate according to the market price and will not know many intricacies of law that are there involved in the matter —deciding which estate is liable to be taxed and which not. Therefore, these are matters in which persons who are qualified and who can grasp

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the whole situation and look into the matter carefully should be entrusted with the question of deciding whether a person has been properly taxed or otherwise.

My hon. friend, Mr. Gadgil, stated that after all there are these Controllers and there is the Board and why distrust them. The question is not one of distrust; but the question is rather one of competency to judge properly. These matters—included in clauses 7 to 35 of this Bill—are so complicated that it is necessary that only persons who have got sufficient competency and who are well-versed in questions of law should decide these matters. Otherwise, it may so happen that there may be few appeals because some people may not be in a mood to file appeals and they may be resigning themselves to fate, thinking that no justice will be meted out.

Again, what I would like to urge, Sir, is that when we are legislating in a matter which is entirely new to this country, when we are bringing in a new measure of taxation which was hitherto unknown, the people must at least feel that it is properly applied.

An Hon. Member: It is not unknown.

Shri Altekar: By "unknown" I mean "unaccustomed to". Estate duty is a thing to which people are unaccustomed; hitherto before there has been no such taxation. It will have to be levied; I do not in any way question that. But, when we are placing it newly on the statute book we should at least give a fair opportunity to those who will be subjected to this. They should not only feel that they have got a mere right of appeal but that the appeals will be heard and decided by competent persons. So, there should be a sort of confidence created in the whole country, whenever there is a new measure of taxation, that all provisions for the purpose of having a fair trial are included in it.

I do not think that there will be in any way a larger number of appeals if there is an independent Tribunal than when there is the Board. The mere constitution of an independent Tribunal will act as a check. As a matter of fact, any person who is aggrieved will be going wherever that appeal is available. The question is whether that will be heard by persons who are competent, who will be strong and independent of the authorities who are giving instructions or formulating the policy for the purpose of taxation. This is what should be guaranteed and, therefore, I submit that this amendment for a Judicial Tribunal should be accepted.

Shri Barman: So long the House has been discussing a very important matter which concerns the whole nation. The difference is whether we shall have a Judicial Tribunal here and now in this Bill or whether we shall make an experiment of confining it to the present Executive and the Revenue Board and after one or two years decide whether a Tribunal is necessary or not. As the matter has been thoroughly discussed on both sides, I do not want to enter into it with my limited knowledge. What I want to submit to this House and to the hon. Finance Minister concerns only a fraction of the nation and that is with reference to my amendment No. 570. I want to say a few words on that.

The scheduled castes and the scheduled tribes have been given certain privileges by the Constitution in the matter of appointment to the services. Up till now, whenever we raised the question of our quota, we have been confronted with the fact that they are all existing services and that the quota cannot be fulfilled overnight and that in the matter of promotions it does not apply. Certainly, we see the reasonableness of that side also. Now, we are going to start a new service so far as the administration of the Estate Duty is concerned. I fervently hope and pray to the administration and to the hon. Finance Minister that at least this time our case should be favourably considered and justly administered. My simple amendment, is to sub-clause (4) of clause 4. Sub-clause (4) says:—

> "Subject to the rules and orders of the Central Government regulating the conditions of services of persons in public services and posts, a Controller may appoint such executive or ministerial staff as may be necessary to assist him in the execution of his functions."

My first idea was that there is absolutely no necessity for such a provision. In other Acts—I hope also in the Indian Income-tax Act—there is no such provision. Let the Government as a whole take up the responsibility of appointments of executive officers and ministerial officers and so on, so that we can always lay our grievances at the door of the Government and get the redress we want at any time. Perhaps they have thought that in order to carry on the duties under this Act, such powers are necessarily to be vested with the Controller. My amendment is only this:

> Before "the conditions", *insert* "the appointment and".

That is to say, though the Controller will make the appointments of executive and ministerial officers, the overall regulation of it will be in the hands of the Central Government or the Revenue Board. My fear is this. Each Controller, by this Act, is invested with the power to appoint executive as well as ministerial officers. I think there will be only a necessity for a small number of executive officers in the case of each Controller. The rules that have been framed by the Government to secure the communal ratio or quota may not apply at all or may apply only in a very limited way if each Controller is left with the discretion to appoint. But, if such appointments are regulated by the Central Government then the appointments throughout India, so far as this department is concerned, can be administered fairly well to all intents and purposes.

I do not want to detract from the powers with which the Central Government wants to invest itself in issuing these rules and orders. I simply want that not only in the regulation of conditions of services but also in the overall appointments the Central Government may have the power and the responsibility. I hope that the Government will not find any difficulty in accepting my amendment because my apprehension is that otherwise this communal ratio may be obstructed in many ways. I hope that, there being a complete set up, this Government will consider whatever privileges the Constitution has bestowed on us so that we may have our just due.

Shri C. D. Pande: I had no idea to participate at this stage because I thought I will intervene in Clause 61 when it is discussed here. But after hearing Mr. Gadgil I felt that it is too harsh upon the whole community which can be called a possessing community.

An Hon. Member: Mr. Gadgil is not here.

Shri C. D. Pande: He always asks sarcastically, "How many people will be affected by this measure"? "For whom this advocacy?" I say that there are eight lakhs of people who pay income-tax in this country. Does he think that these eight lakhs of people are all like Tatas and Dalmias, to be looked upon with animosity? They are not even like our friend Shri Tulsidas Kilachand. I say that out of this eight lakhs of people there may be hardly one thousand people in this country who may deserve our animosity because they are too rich and rest of us too poor.

Mr. T. N. Singh asked me to give him cases where poor people had been harassed. I say that poor people are harassed more than the rich people. The rich people can manage their cases

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in the courts. They have their standing counsels but the poor men have no remedy. In my district of Naini Tal there are small traders who have to pay income tax even though they are all poor. The Sales Tax authority which is a provincial authority levied a tax of Rs. 600/- in a year on a poor sweet vendor. Because he was taxed to the tune of Rs. 600/- by the Sales Tax authority the Income Tax Officer said that he must pay Rs. 300/- as income tax. And do you realise the authority of the Income Tax Officer? The Chief Minister of a State has got less authority than the Income Tax Officer. Those of us who go to the Clubs know that in the game of rubber the Income Tax Officer never loses; he always wins. If you do not at all make any provision to cover their high-handedness what is the remedy for the people? People may not like to go to the Tribunal but let there be some authority which should stand over the head of the unrestrained powers of the executive authority as a check.

Some ask: why should people be afraid of paying taxes? I know of a case in Kanpur. Recently, three weeks back, an ordinary man had some quarrel with some Income Tax Officer. The Income Tax Officer imposed a tax fifteen times more than the likely tax. He was otherwise likely to be taxed to the extent of Rs. 1,000/- only but because of the quarrel he was taxed to the tune of Rs. 15,000/-. He was asked to deposit the entire amount forthwith failing which his property would be auctioned. He went to the High Court. The High Court said that it was indeed a case of high-handedness and there was no justification to impose a tax which was not likely to be the actual tax, ultimately. I think the Finance Minister must have read of this case. May I know what steps does he propose to take to curb such high-handedness?

I know of another case where a man, after ten years of labour, saved some amount by saving some two thousand rupees every year. When in 1944 he invested that amount in some small business the Income Tax Officer said. "Look here, the whole amount is your income of this year". The poor fellow tried to explain in vain that he had a small business and he had been paying whatever income tax he had to pay. He could not make money by any illegal gratification; then how could he earn so much in one year? The Income Tax Officer said that he was not concerned with the mode of income but this income was only in that year and he was taxed. The Income Tax Officer told him that he could go on appeal. If the appeal goes from the Income Tax Officer to the Appellate Assistant Commissioner he says, "your case is, of course, a very sound one but you know, in revenue matters we have to look to the needs and instructions of the department and cannot afford to be reasonable".

The Finance Minister gave us long figures about the success of appeals. I know what an appeal is. Suppose a man has to pay Rs. 600/- as income tax, the Income Tax Officer assesses him at Rs. 900/- so that he may not have an incentive to appeal. It is never worth while. Where there has been slight over-assessment the man would leave the matter there rather than appeal. What have you done to curb this state of things? I know of several cases of hardship to poor people. These eight lakhs of people are not all rich. In a case a man may pay income-tax; yet he may not be liable to pay death duty. In another case a man may not pay income-tax; he may be liable to the death duty. Thus there are about a million taxable persons in India. Take another example of a man having a small house in Calcutta worth Rs. 1 lakh bringing an annual rent of hardly Rs. 2,000. The man dies and leaves a widow behind him. The widow has no income whatsoever. The widow is asked to deposit estate duty on that house which is supposed to be worth Rs. 1 lakh. Now the lady who has hardly an income of Rs. 150 per month will have to pay Rs. 2,500 as estate duty. If her house is sold it will bring only Rs. 50,000/-. What are the safeguards for such hard cases and what are the safeguards to see that your assessing authorities do not over-value the house? I feel the poorer people are likely to suffer more than the rich people as far as harassment is concerned.

An Hon. Member: Mr. Gadgil has come.

Shri C. D. Pande: For the information of Mr. Gadgil I would again repeat. There are eight lakhs of people in the country against whom he may have animosity. Let me tell him that hardly one thousand of them may be rich but 8 lakhs ninety nine thousand are such who belong to his class,—slightly more or slightly less does not matter, Mr. Gadgil says 99 per cent. in this country are beggars. Does he want that everybody should be a beggar?

Shri Gadgil: The case will be looked into by the Tribunal.

Shri C. D. Pande: I wanted to say if 99 per cent. are beggars then should we all come to the level of beggars or should we try to improve the status of our people? What is our optimum? The amount of wealth you can tolerate?

We may be against the rich but there should be some decent standard available to all; that is my idea. There should be an income which should give you square meals, medical facilities, proper education, decent clothes and decent housing. We must make efforts to secure this much for all. This is our aim and objective.

Shri M. D. Joshi (Ratnagiri South): Is it relevant to the issue?

Shri C. D. Pande: Yes. Absolutely relevant.

Mr. Chairman: Is the hon. Member trying, to reply to all the hon. Members? He should go on with his speech.

Shri C. D. Pande: On one occasion Shri Gadgil elaborated the budget of the poor man. He is a Member of Parliament, and is a representative of the poor people, and he made it clear that he is not able to maintain himself in Delhi below Rs. 1,200 per mensem. If he cannot maintain himself below Rs. 1,200,—a representative of the poor,—what would be the property that he would like to leave for his widow, sons, and daughter so that they may live in comfort and happiness? What will be the property so that the minor children of the deceased could live, in a manner befitting the status of their father? So I am convinced that the people of middle class will be harassed more than the rich.

पंडित सी० एन० मालवीय (रेयसेन) : मैं चाहता था कि अंग्रेजी में कुछ कहू योंकि जो इस मसले पर ज्यादातर राय जाहिर की गई है वह अंग्रेजी में की गई हैं लेकिन मैं मजबूर हूं कि शायद मैं अपने ख्यालात को साफ तौर से न रख सकूं, इसलिये मैं आप के जरिये से यह दरखास्त करना चाहता हूं उन साहिबान से कि वह जरा गौर से मुझे सुनने की कोशिश करें ।

इस वक्त यहां पर जो हाल मैं देख रहा हूं उस से यकीनन मेरे जैसे लोग जैसी मेरे दोस्त टी० एन० सिंह साहब की या काका साहब की हालत है उससे समझते हैं कि मैं जो कुछ कहने वाला हूं उस को कितनी नापसन्दीदगी के साथ सुना जायगा । लेकिन मैं आप के जरिए से मेम्बरान हाउस से यह दरखास्त करना चाहता हूं कि अपीलेट ट्राइबुनल अगर हमारे दर्द का कोई इलाज हो सकता होता तो यकीनन मैं भी उसका समर्थम करता । अगर अपीलेट ट्राइबुनल के मुकर्रर कर देने से मेरे भाई पांडे साहब ने या दूसरे साहिबान ने जो दिक्कतें जाहिर की हैं, जो मजालिम गिनाये हैं उनका सद्देबाबद हो सकता, उन को हटाया जा सकता, तो मैं भी उसका समर्थन करता । अपीलेट ट्राइबुनल को कायम करने के लिए जो दलीलें दी गई हैं उन में सब से ज्यादा दलील एक ही चीज पर है कि ऐग्जीक्यूटिव लोगों को बहुत

[पंडित सी० एन० मालवीय]

ज्यादा परेशान करती है । पिछले ज़माने के जो तजरबे मुझे हुए हैं और यहां भी जो किस्से बयान किये गये हैं उन की एक दूसरी तस्वीर भी है । मुझे यह भी मालूम है कि बहुत से अफसरान ने अगर किसी किस्म की कानून की खिलाफवर्जी की है तो उस वक्त भी कुछ पार्टीज खामोश रही हैं और क्योंकि उन का मकसद हासिल हो गया । इसलिए में तो महसूस करता हूं कि आज, जब कि एक टैक्सपेयर्स की कम्युनिटी की तरफ से एग्जीक्यूटिव के ऊपर इतने चार्जेज लगाये जा रहे हैं, हमारे ऐग्जीक्यूटिव वाले कुछ ज्यादा ईमानदारी से काम कर रहे हैं । रिश्वत नहीं लेते हैं और उन की टैक्स इवेजन में मदद नहीं करते हैं । यह भी उस से एक नतीजा निकलता है । मिसाल के तौर पर में दो एक मिसालें आप के सामने रखना चाहता हूं । मुझे रियासत भोपाल के ऐडमिनिस्ट्रेशन का थोड़ा सा तजरबा है । में ने महसूस किया है कि जिस वक्त गल्ले की पाबन्दी लगाई गई कि रियासत की हदों से गल्ला बाहर न जायगा उस वक्त गल्ले के स्टोर्स और गल्ले के होर्डर्स ने उन बेचारे नाके दारों को जो कि दस दस और बीस बीस रुपये के नौकर थे पहले तो सौ रुपये का पत्ता बताया और उस के बाद भी जब उन्होंने न माना तो, मेरे पास रिपोर्ट आई और में ने उस मामले की तहकीकात की है, उस नाकेदार को दरख्त से बांध कर अपनी गाड़ियों को बाहर निकाल दिया । इस किस्म के भी मज़ालिम किये जाते हैं । दूसरे अभी ३ अगस्त सन् १९५३ की बात है । बम्बई के हवाई अड्डे पर कुछ बिज़नेस मैन जो हवाई जहाज से उतरे तो आथारिटीज ने उन से कहा कि आप डिकलेअर कीजिये कि आप के पास क्या क्या सामान है । उन्होंने डिकलेरेशन दिया । उस के बाद उन के सामान की तलाशी ली गई तो मेरे सामान की भी तलाशी ली गई । तो वह लोग मुझ से पूछने लगे कि आप तो पार्लियामट के मेम्बर हैं आप के भी सामान की तलाशी क्यों ली गई । में ने उन से कहा कि आज हमारी ऐग्जीक्यूटिव आथारिटी कोई डिस्क्रिमिनेशन नहीं करती है और ईमानदारी से काम करना चाहती है । तलाशी के दौरान में जब उन लोगों के सन्दूकों से कुछ ज्वैल्स निकले तो उन्होंने निहायत गुस्सा हो कर उस आफिसर से कहा डू यू वान्ट दैम ? (क्या तुम इन्हें चाहते हो ?) उस ने जवाब दिया कि में बगैर टैक्स लिये आप को जाने दूं यह कैसे हो सकता है । में यह सारी मिसालें इसलिए दे रहा हूं कि सारी दलीलों की बुनियाद इसी बात पर रखी गई है कि हमारी ऐग्जीक्यूटिव ईमानदारी से काम नहीं कर रही है और जुडीशियल में जाने से हम उस काम को ज्यादा ईमानदारी से करा सकते हैं । में यह मिसालें इसलिये दे रहा हूं कि तस्वीर के दोनों पहलू आप के सामने आ जायें।

कई साल पहले हम न इस हाउस में प्रिवेंटिव डिटेंशन ऐक्ट पास किया उस समय हम ने इस उसूल को माना था कि अगर मौजूदा रायज कानून के ज़रिये से हम किसी अनसोशल ऐलीमेंट को नहीं दबा सकते हैं तो हम को उस के लिए कोई खास कानून बनाने की ज़रूरत है । आज भी ऐसे अनसोशल ऐलीमेंट हैं जो कि टैक्स को इवेड करना चाहते हैं, जो कि डबल डबल एकाउण्ट रखते हैं और रिश्वतें देकर अपने माल को छिपाना चाहते हैं और रियासत की चोरी करना चाहते हैं । म यकीनन ऐसे बुरे आदमियों के साथ नहीं हूं और न में उन की वकालत कर रहा हूं । लेकिन तस्वीर का दूसरा] रुख भी हम को अपने सामने रखना चाहिये । जब हम ऐग्जीक्यूटिव आथारिटी

को बुरा कह रहे हैं और हाई कोर्ट की शरण लेना चाहते हैं और ट्राइबुनल की शरण लेना चाहते हैं, तो क्या हमारा मकसद उस से इन्साफ पाना है या कि हमारा मतलब यह है कि हम टैक्स इवेडर्स के लिए चोर दरवाजा खोलना चाहते हैं। मेरा यकीनन यह दावा है कि हम चोर दरवाजा खोलना चाहते हैं।

श्री श्यामानन्दन सहाय : क्या हम ट्राइबुनल से चोरदरवाजा खोल रहे हैं ?

पंडित सी० एन० मालवीय : यकीनन ट्राइबुनल के जरिये से चोर दरवाजा खोलना चाहते हैं। अभी हाल ही में आपने देखा है कि जमींदारी एबालीशन ऐक्ट को किस तरह से मुकदमेबाजी के चक्कर में डाल दिया गया था और उस के लिये हम को मजबूर हो कर अपने कांस्टीट्यूशन में तबदीली करनी पड़ी थी। और अगर उसी तरह से हमारे दूसरे भाई उसी किस्म के रखने अटकायेंगे तो यकीनन हम को उन के लिये फिर अपने कांस्टीट्यूशन में तबदीली करनी होगी और जिस तरह से कि दूसरे मुल्कों में प्रापर्टी ले ली गई उसी तरह से करना होगा। यह तो एक बहुत आहिस्ता आहिस्त कदम उठाया जा रहा है। तो मेरे अर्ज करने का मकसद यह है कि यह जो ट्राइबुनल होगा यह एक चोर दरवाजा खोल दिया जायगा जिस के जरिये से टैक्स इवेडर ज्यादा से ज्यादा फायदा उठाने की कोशिश करेंगे। हमारा अपना तजरबा है इनकम टैक्स ऐक्ट का। उस में जो एक इंनवेस्टीगेटिंग कमीशन था उस से भी हम को यह सबक लेना चाहिए कि किस तरीके से टैक्स को दबाया जाता है। ठीक है। यह हमारी गवर्नमेंट का एक निहायत ही अच्छा और नेक कदम था कि उस ने ऐसे लोगों को परेशान नहीं किया। वरमा होना तो यह चाहिए था कि जिन्होंने वालंटरीली डिकलेयर किया था चूंकि उन की भी नेकनीयती नहीं थी उन पर बदनीयती का मुकदमा चलाना चाहिए था और उनको सख्त सजायें देना चाहिए था क्योंकि उन्होंने यकीनन आमदनी को छिपा रखा था। हम ने यह नहीं किया लेकिन यह तजरबा भी हमारे सामने रहना चाहिये। हम ने प्रिवेंटिव डिटेंशन ऐक्ट में यह माना है कि अगर खास हालात में जरूरत हो तो हम को ऐसा कानून बनाना चाहिए कि जिस की वजह से हम असल मकसद को हासिल कर सकें। चुनांचे इस मामले में आप के टैक्स पेयर्स में ऐसे लोग हैं और काफी तादाद में हैं। मैं तो यह कहूंगा कि यह जो माया है इस माया के साथ ही करप्शन आ जाता है। तो यह जो माया वाले हैं उन सब के पास करप्शन तो आ ही जाता है। तो उस माया से तो छुटकारा दिलाया जा रहा है। तो इसलिए उस अनसोशल ऐलीमेंट को दबाने के लिये, जो कि एग्जीक्यूटिव के ऊपर हर तरह से अपना प्रेशर लाना चाहता है, इस वक्त जरूरत है कि ऐग्जीक्यूटिव को ही इस बात का पूरा अख्तियार दिया जाय कि वह इस किस्म के लोगों की सही तौर से तहकीकात करे और सही तौर से तहकीकात वही कर सकते हैं। जब आप जुडीशल अदालत में जाते हैं तो वह तो महज उन्हीं वाकयात पर फैसला करेंगे जो वाकयात वहां पर पूरे तौर से साबित किये जा चुके हैं और वाकयात को साबित करने के लिये क्या क्या तरीके अख्तियार किये जाते हैं यह हम और आप सब अच्छी तरह से जानते हैं। इसलिये मैं कम से कम इस ट्रिब्यूनल के मुक़र्रर करने के प्रपोजल की मुखालिफ़त करता हूं। यह मैं मानता हूं कि गवर्नमेंट ने जिस वक्त यह कानून बनाया तो उस में इस बात का प्रावीजन रखा था कि बेइन्साफी न हो। हमारे एक भाई ने यह कहा कि इन्साफ करना चाहिये और इन्साफ होना चाहिये

[पंडित सी० एन० मालवीय]

और खुद जो आदमी किसी बात का दावा करना चाहे तो उस को ही उस का फैसला नहीं करना चाहिये । लेकिन में आप को यह भी बतलाता हूं कि इन्साफ का मतलब यह भी है कि जो इन्साफ चाहता है उस को खुद भी मुन्सिफ होना चाहिये, उस को खुद भी इन्साफ करना चाहिये । मैं यकीन से दावा रखता हूं कि अगर हमारे टैक्स पेयर्स निहायत ईमानदारी से काम लेंगे तो उन को इन्साफ मिलेगा, इस में कोई शक नहीं है ।

फिर हमारे एक साहब ने कामन मैन क बात कही है कि काका गाडगिल साहब तो कामन मैन की बात कहते थे । यह बेचारे जिन के पास ५० हजार से कम की जायदाद नहीं होगी, यह कामन मैन उन की नजर में आते मालूम होते हैं, वह कामन मैन नहीं हैं । कामन मैन वे हैं जो आज लाखों की तादाद में बेरोजगार हैं, जिन का न कोई आगे देखने वाला है और न कोई पीछे देखने वाला है । उन की तालीम, उन की तरबियत, उन के इलाज, और उन की रोजी के लिये अगर गवर्नमेंट ऐसी किसी आमदनियों पर हाथ डालना चाहती है तो यह किस तरह से आ कर उस में बाधा डालते हैं और किस तरह से कहते हैं कि इन कामन मैन की जो विडोज हैं, वे बद दुआएं देंगी । मैं कहता हूं कि उन की जो बद दुआएं हैं वे उन के मुक़ाबले में नाकाफी हैं, जिन की दुआएं लाखों और करोड़ों की तादाद में होंगी, जिनका देखने वाला कोई नहीं है ।

तो मैं कहना चाहता हूं कि हमारे मिनिस्टर साहब इस में किसी तरह से कमजोरी न दिखलाएं । यकीनन जो कुछ उन्होंने क़ानून में रखा है उस में इन्साफ को भी जगह है । नून के प्वाइंट पर बहस हो सकती है, जिस के लिये कोर्ट में स्थान है । लेकिन जहां तक टैक्स इवेडर का ताल्लुक़ है, उस के लिये कंट्रोल रखा गया है । मेरी राय में तो यह कम रखा गया है, और इस से ज्यादा रखना चाहिये । लेकिन खैर जो कुछ रखा गया है वह तो रहना ही चाहिये ।

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): I beg to move:

"That the question be now put."

Shri S. V. Ramaswamy: Before you put the question to the House, I would like to seek some clarification from the hon. Minister. If we take a decision on this clause, what about amendments to clause 61?

Mr. Chairman: Clause 61 is a different clause altogether.

The amendments before the House are Nos. 304, 305, 9, 10, 11 and 12. The hon. Minister of Finance.

The Minister of Finance (Shri C. D. Deshmukh): I had better begin with the less contentious of the amendments first. One is No. 570 which has been moved by Shri Barman. I think that the words as they stand regulating the conditions of service include regulation of appointments. In that same clause you will find the word "appointment" occurs after reference to "conditions of service". That is the usual formula and I can only assure him that "conditions of service" applies to appointments as well as to any other terms of service.

In regard to the second and more important point which was raised by him, regarding the increase of representation of the scheduled castes, scheduled tribes and backward classes, so far as Government is concerned, efforts are always made to ensure that such representation is secured. Therefore, if I were to say that on this occasion at least Government will pay special attention to this, then I might be charged with implicitly admitting that that has not been done so far.

Nevertheless, I can assure him that this matter will have my special attention when actual appointments are made.

Now, in regard to the other amendments Nos. 473 and 474 which may be described as the lesser amendments moved by Mr. More.

Shri Gadgil: It is accidental, not deliberate.

Shri C. D. Deshmukh: I do not think, that it is necessary to make that substitution just for the purpose mentioned by the hon. Member. But let me first deal with the scheme that we have in mind first. The Controllers according to our present plans will be Commissioners of Income-tax; the Deputy Controllers will be the Assistant Commissioners and the Assistant Controllers will be the Income-tax officers. Then there will be some kind of money-limit for the purpose of dividing this work, or delegating authority to them. Income-tax Officers Grade III, a lakh and fifty thousand; other Income-tax Officers up to five lakhs; Deputy Controllers up to ten lakhs and the rest to the higher officers. The powers of assessment will, therefore, depend on the value of the estate and this will be secured under the rules.

Now under the Control, Classification and Appeal Rules disciplinary action has to be taken by certain competent authorities, and the maximum punishment of dismissal or removal from service can only be awarded by the appointing authority. The effect of accepting Shri More's amendment will be that all disciplinary cases against ministerial and subordinate executive staff, however humble, will have to go to the Board and ali appeals thereto will have to go to the Central Government. This we consider administratively impossible and it is for this reason that the power of appointment has been left to the Controller, subject to the rules and orders of the Central Government. Now we have no reason to fear that the Controllers who will be of the status of Commissioners will make themselves a sort of local despots. I might remind the House that similar provisions exist in Section 53A of the Income-tax Act and they are working quite well. Therefore, I really do not see any necessity for making the change recommended by the hon. Member. Therefore, I have to oppose these three amendments, Nos. 570, 473 and 474.

Now, Sir, appeals have been made to me and my reasonableness and various other things throughout the speeches that were made yesterday and today. I can only say that I do keep an open mind on every subject up to a certain point. I have listened very carefully to the debate. Finally, I can only change my mind if I am convinced. Now in arriving at a decision I am not influenced by any other consideration. It has been repeatedly said that the hon. Minister will be strong enough or weak enough to do this or that. I believe that in the conduct of this legislative measure so far I have given evidence that wherever I am convinced I have not considered who has brought the amendment. I have really considered what the content of the amendment is. Now, in this matter, unfortunately, I have to differ with the majority of speakers though not necessarily with the majority of the House. I had the same sort of difficulty in the Select Committee and in the Select Committee I was also able to carry conviction to the majority and I hope to be able to repeat the performance here. Therefore I have to oppose these various amendments which have been brought forward either for the establishment of a board of valuers or for the establishment of appellate tribunals.

I have tried to get under the skins of hon. Members who have spoken in support of these amendments. It is not for me, and indeed the thought has not come to my mind, to ascribe any kind of motive to any hon. Member, just as I expect that they will not ascribe any kind of motives to me. But it does seem to me from what we have

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been hearing that there is a kind of contest between *a priori* reasoning and practical experience—practical experience certainly we have not had, but practical experience in most of the other countries which have this legislation in operation today. I also see in this attitude a kind of exaggerated respect for law that we seem to have developed in this country. Now, I think that respect for law is the basis of all civilisation and all forms of government. But when there is a danger of the law being exalted into something for its own sake, then one must consider its applicability. An example of what I have in mind is furnished by the speech of Shri Sharma—I am sorry that he is not here. He said this was only one aspect of the question of separation of the judiciary from the executive. So far as I can see, there is no connection between that general issue and this present issue. (*An Hon. Member*: Why?) For the simple reason that so far as law is concerned we have provided for appeals to the High Court. (*Shri S. S. More*: On a point of law.) The question of judiciary and executive arises when a law has been codified and the question of the application of the law arises. That principle cannot possibly be applied to revenue laws. Because, if one were to say that Parliament should first enact legislation and leave the entire administration to the judiciary then you strike at the very basis of revenue administration. No Customs law will be possible. No Income-tax law will be possible. And indeed from the very initial stages one would have to have resort to the law. This is a sort of general statement that I would like to make. I do not wish to enter into people's minds. But one reflection I would like to make, and that is wherever there is some kind of social reform one does find that the complexity and the delays that are inherent in our legal system do come in the way of it. That is a very general observation which I think will appeal to the hon. Members of the House who profess to be progressive in these matters. As I say, there is no greater respecter of law than myself; I will stand in the queue for almost anything. If the country wants to proceed in social progress, in social or economic progress, clinging on to the skirts of all the forms that we have evolved under foreign domination is not the way to bring about the kind of peaceful social economic revolution that we have in view. This is only a general observation.

Pandit K. C. Sharma (Meerut Distt.—South): You mean to say the country must progress unlawfully?

Shri C. D. Deshmukh: That is a travesty of what I intended to say.

Now, much of this ground is familiar ground over which in previous discussions I have had occasions to elaborate my views in regard to the appellate tribunal, but since partial reference has been made to many of the points I would like to go over them.

The first point is that estate duty involves complicated accounting, legal and valuation problems. That has been recognized by all parts of the House. But the main point I would like to make is this. If there were any validity in the reasoning advanced by the hon. Members here, one would expect some kind of universality for these principles. That is to say, what we seem so readily to recognize should have appealed to the countries where Estate Duty Acts have been in force for very long periods. And, as I say, there are forty-five countries where an Act of this kind is in operation today. In most of these other countries, especially countries with whom we are sort of affiliated in the Commonwealth like U.K., Ceylon, Pakistan, you will find that the assessment is made by the Board and the appeal then goes, in law, to the High Court. The only difference here is that the initial assessment is not made by the Board, and that is because of the size of this country.

And the next point I made was this, that due to the large size of this country we have to a certain extent to decentralise the assessment. What is good enough for inland revenue in the case of U.K. is not good enough for us. That is the only reason why we have devolved this power on the subordinate authorities—although I would like to recall that in 1946 the Bill made the Board the assessing authority in all cases.

The third point is that in the initial stages the subordinate authorities will require constant guidance and direction, and errors of commission and omission for or against assessees will have to be corrected. We feel that it will lead to a lack of uniformity and a certain amount of confusion if from the very first stage appeals were to go to outside authorities who might give different interpretations.

The fourth point is that in other countries like the U.S.A. or Australia, where similar decentralisation has been made, the first appeals either before or after the assessment, go to the Board. It is only after the Board has passed orders that appeals to outside authorities can be preferred. So in a sense, and I think the point was made by some hon. Member, the appeal to the Board is not really an appeal in a technical sense. It would be better to describe it as an administrative review at a higher level. The first appeal proper, so called, still lies to outside authorities, and that is the High Court or to Valuers—Valuers in regard to certain matters which are specified in the Bill.

My next point is—I am really recounting the points I made—that the confidence in the administration seems to be increasing. We are entitled to think, as administrative reviews in Income-tax have increased from 3,325 in 1950-51 to 4,714 in 1952-53, which is an increase of 40 per cent., which seems to show that as we change our attitude,—undoubtedly we are changing our attitude—towards the assessee, the assessee is gaining a greater degree of confidence in the Executive.

Reference was made to the number of assessees, and the number of cases that go to the Appellate Assistant Commissioners. I give the figures for what they are worth. Because one can argue both ways. One can have the argument to which one hon. Member resorted that even if the number of appeals is small, it does not show that an appellate authority is not wanted and also because such an appellate authority exists, the number of appeals is small. These are matters about which one can argue both ways. The figures are here. The total number of assessees is somewhere about 8 lakhs. Out of this, 62,000 appeals go to the Appellate Assistant Commissioners. As against this figure of 62,000, in 1950-51 the number of appeals filed before the Appellate tribunal was 8900 and in 1951-52, it was 8200 and again in 1952-53, it was 8200, which means that just about 1 per cent. of the cases go up in appeal and the rest; 99 per cent. of the cases, are decided by the Executive authorities.

I shall have to deal in greater detail with a few points which were raised by hon. Members. The first thing is, it is quite clear that the Central Board of Revenue is not the final authority. There is always an appeal to the High Court or Supreme Court on points of law. There was some question raised as to appeals on points of fact. The proper legal effect of proved facts is essentially a question of law. I think that is a proposition which has been approved in certain judicial cases. I need not refer to them: there was one case in 1947, ITR 474 and another in 1950 ITR 280. A mixed finding of fact and law is open to review by a court. That has also been held. I shall not give the quotation. I shall pass them on to the hon. Member, who probably knows it all. I am quite certain he knows them.

Shri Gadgil: Outside.

Shri C. D. Deshmukh: Inside also. The third point is, a court can interfere if a finding of fact is based

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on a misconstruction of a statute; that is to say, overlooking or ignoring a crucial fact or a document may amount to a misdirection of law. For that also, there is authority of the Privy Council: 1949 ITR 72, 12 TC 1 Court of appeal.

Shri A. M. Thomas: They are all with regard to appeals under the Civil Procedure Code.

Shri C. D. Deshmukh: Whenever one says that on questions of law, a matter can go to a High Court, I am trying to say that the difference between fact and law, as it appears to me, is not quite so rigid, as has been made out in the speeches. In other words, you can have certain proved set of facts. That is to say: a man has a certain interest; he lived in a certain house for a certain number of years with his daughter; these are proved facts. There can be very little dispute in regard to these facts. But, whether these facts amount to being in sole possession or being excluded in possession, that is a question of law. I see the hon. Member, Shri N. C. Chatterjee, is shaking his head.

Shri N. C. Chatterjee: The exclusion of the donor must be a question of fact. It cannot be a mixed question of fact and law. The Supreme Court has now held clearly that if there is a finding to that effect by the Board of Revenue, in a statement of case, the High Court and the Supreme Court are powerless.

Shri C. D. Deshmukh: I say these are issues—what is a question of law, what is a question of fact, etc.,—which have to be settled in a court of law. I only indicated the authorities on my side.

I have already referred to the background of this case. In the 1946 Bill we provided that all the assessments were to be made on behalf of the Board itself and thereafter, an appeal could be made to the High Court which would appoint an Enquiry Officer. It is to save this trouble to the assessees that the present Bill provides for Controllers who will make assessments; but the Board will remain in charge of the assessments in the shape of—I put it within inverted commas—"Appellate authority". As I said before, this is really in the nature of an administrative review and emphasises the control of the Board over the whole business of assessing and collecting the Estate duty. It is impossible to find, it seems to me, an appellate authority which would be able to do valuation of all kinds of property which would be involved in this Estate duty. We cannot have a body which can do the valuation of buildings, jewellery, shares in private limited companies, goodwill, and so on. Therefore, there is no exact parallel between this and what arises to be determined in cases that go before the Income-tax Appellate tribunal. One hon. Member gave the instance of a case which according to him was a question of fact, and on which, according to him, there was no appeal to the High Court. Another hon. Member, I think it is Mr. Chatterjee, referred to *bona fide* gifts. Whether a gift was *bona fide* or whether a particular property passed on death seems to me—I am not a lawyer—more a question of law than fact and appeals on that can certainly be taken to the High Court as in the United Kingdom. In the United Kingdom, the procedure is just the same. That is, assessments are made by the Board from which appeals go to the High Court, and—that is where the difference comes in—to the County courts in small cases. You will ask why we have not provided for intermediate appeals to the District courts. We have not suggested this at this stage because we feel that the District Judges are unlikely to be familiar with a complicated law like this as there will be hardly one or two cases in a year in a district. Even for Income-tax, the High Courts have, as a matter of ordinary practice, particular Judges who specialise in Income-tax matters. This being the position even in High Courts, we do not feel that it will be fair to expect all the

District Judges in the country to be experts on Estate duty or valuation. In this connection, I might as well take note of this objection that if there is a High Court, then the assessee will have to travel a long distance to go to the centre of the State. Even if you have an Appellate tribunal, the same result will follow unless it is the intention to have an Appellate Tribunal established in every district. That suggestion has not been made even by those who have supported some of these amendments.

The real fact is this. We are dealing with a somewhat strange body of law and there is no one in this country yet who is very familiar with it. We rely on some Hansome, or Dymond or some Green. Therefore, we feel that until we have a body of case law, the subordinate Judges will really have nothing to rely upon.

Shri S. S. More: Who is to prepare the case law?

Shri C. D. Deshmukh: The High Court.

There will be the danger of conflicting decisions from different courts making confusion worse confounded, so to speak, in the minds of both the assessees as well as the assessing officers. I have already mentioned that in revenue matters, it is not the ordinary practice, for very sound reasons, to take matters to a court of law. In land revenue, for instance, cases are heard by the Boards of Revenue before they are taken to the High Court on points of law. Whether remission should be given, what is the outturn of crops, how much should be collected, whether there should be an increase in the assessment, what is the quality of the land, all these questions are essentially executive and revenue questions. The same state of affairs exists in the Customs and Central excises.

Some hon. Member said—he wanted to appeal to my cupidity so to speak—that there is the danger of the Board wanting to be generous. That does not really frighten me, because I think his criticism misses the point. The intention is that an administrative practice should be built up on the same lines as in the United Kingdom. I shall not take the time of the House; I have got a long illustration here to prove my point. Somebody said that you will find that a single Board of Revenue could not cope with this. In that case, one would have to consider whether the Board could not be enlarged. Even a Member of the Central Board of Revenue cannot be an expert on matters of law and valuation, but we shall have all the appurtenances, so to speak, to enable the Board tc decide these difficult issues. In other words, it is not as if the Board means a Board which is entirely devoid of any kind of legal or judicial guidance. We shall take care to see that officers with judicial experience and officers with accounting experience are appointed to assist the Board in dealing with all these matters which will come up to them in these appeals.

And then, somebody said for all appeals the assessees would have to rush up to Delhi. God forbid, because it is our intention that the Members of the Central Board of Revenue, assisted by their officers, especially their expert assistants, should go out on circuit when there is a sufficient number of cases in a particular zone which is ripe for hearing.

Then there was the argument that people will not get a hearing and that cases will be disposed of on the basis of notes on files. That overlooks the provision made in Clause 61(3) to which we shall come, where it is distinctly stated that the Board will pass orders only after giving the appellant an opportunity of being heard.

Then there was some hint that the valuers may not be very honest. I think that is going a bit too far. The valuers—I shall not go into the methods by which they are appointed and the safeguards introduced for ensuring that grievances are dealt with—will be in receipt of a scale of charges which will be fixed by Government. We have made a provision in Clause 4(3) accordingly.

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So, I would submit that to begin with one ought to give a trial to this method, and I say that this is a method which by experience is found to be working well in almost every country, and certainly in almost every Commonwealth country and in the United Kingdom particularly, that has got this kind of legislation. If, as I have said, one finds that there are complaints of justice not having been done, it would not be too difficult to consider whether some kind of authority should be interposed to consider not only questions of law which come to High Courts, but questions of fact, because, as I have said, questions of fact and law are sometimes inextricably mixed.

That is, in short, my justification for adhering to the Government's decision that the scheme that we have proposed for dealing with appeals and reviews and so on should stand at the present moment.

Mr. Chairman: The amendments moved to Clause 4 are Nos. 304, 305, 9, 10, 11 and 12. Amendment No. 12 is more or less the insertion of a new Clause after Clause 4. So, first I will have to decide about Clause 4. Then I will take up the amendment which seeks to insert new Clauses 4A. and 4B. And then there are amendments 473, 474 and 570. So, I shall first put all the other amendments to the House, and after the decision with respect to Clause 4, I will put Amendment No. 12 to the vote of the House.

I will now put Amendment No. 304 by Mr. S. V. Ramaswamy to the vote of the House.

Shri S. V. Ramaswamy: I want to say a few words before I withdraw my amendment.

Mr. Chairman: If he has not made up his mind, I cannot do anything. I will put the amendment to the vote of the House.

The question is:

In page 3,

(i) *after* line 28, *insert*—

"(a) The Appellate Estate Duty Tribunal" and

(ii) lines 29, 30 and 31, *for* "(a), (b) and (c)" *substitute* "(b), (c) and (d)" respectively.

The motion was negatived.

Mr. Chairman: Amendment No. 305.

Shri S. V. Ramaswamy: If Amendment No. 304 goes, I withdraw Amendment No. 305.

Mr. Chairman: Has the hon. Member the leave of the House to withdraw Amendment No. 305?

Some Hon. Members: No.

Mr. Chairman: I will put the Amendment to the vote of the House. The question is:

In page 3, *after* line 31 *insert*:

> "(1A) The Central Government shall appoint an Appellate Estate Duty Tribunal, which shall be presided over by a Judicial Officer of not less than the rank of a District and Sessions Judge."

The motion was negatived.

Mr. Chairman: I will put Amendments Nos. 9, 10 and 11 to the vote of the House.

Shri N. C. Chatterjee: If you kindly put Amendment No. 12 first, that will solve the problem.

Mr. Chairman: The difficulty is it is an addition to the Clause. After Clause 4, I shall take it up.

Shri Tulsidas (Mehsana West): These are consequential.

Mr. Chairman: I will put them first because they are amendments to the Clause itself.

Shri Tulsidas: Amendments Nos. 9, 10 and 11 are consequential to Amendment No. 12.

Mr. Chairman: First I will have to dispose of Clause 4 and then take up Amendment No. 12.

Dr. Lanka Sundaram: If you put Clause 4 first, Amendment No. 12 will be barred. You cannot reopen Clause 4. Supposing the House votes for Amendment No. 12, you cannot reopen Clause 4 again.

Mr. Chairman: Amendment No. 12 is for insertion of new Clauses 4(A) and 4(B).

Shri K. K. Basu: If we accept the new Clauses, some consequences arise to Clause 4. If the new Clause is barred in entirety, that has no meaning.

Mr. Chairman: Then, I will put Amendments Nos. 473 and 474 to the vote of the House. Shall I put them?

Shri S. S. More: Yes.

Mr. Chairman: The question is:

In page 4, lines 2 and 3, *for* "a Controller" *substitute* "The Board".

The motion was negatived.

Mr. Chairman: The question is:

In page 4, line 4, *for* "him" *substitute* "a Controller".

The motion was negatived.

Mr. Chairman: Amendment No. 570.

Shri Barman: I withdraw.

Mr. Chairman: Has the hon. Member the leave of the House to withdraw.

Shri S. S. More: May I make a submission? Hon. Members move their amendments, make long speeches and waste the precious time of the House, and then they want to withdraw.

Mr. Chairman: It is open to the hon. Member to withdraw, but as there is opposition, I shall put it to the vote of the House.

The question is:

In page 4, line 2, *before* "the conditions" *insert* "the appointment and".

The motion was negatived.

Mr. Chairman: I will now put Amendment No. 12 to the vote of the House.

Shri S. S. More: Regarding Amendment No. 12, I have to make one submission. It has two objects: one judicial tribunal, and the other is Board of Valuers. I am correct, I believe.

So it will have to be split up into two portions.

Mr. Chairman: The question is:

In page 4, *after* line 7, *insert*:

> "4A. *Appellate Tribunal.*—(1) The Central Government shall appoint an Appellate Tribunal consisting of an equal number of judicial members and accountant members as defined in sub-section (2) to exercise the functions conferred on the Appellate Tribunal by this Act.
>
> (2) A judicial member shall be a person who has exercised the powers of a District Judge or who possesses such qualifications as are normally required for appointment to the post of District Judge; and an accountant member shall be a person who has, for a period of not less than six years practised professionally as a Registered Accountant enrolled on the Register of Accountants maintained by the Central Government under the Auditors' Certificate Rules, 1952.
>
> (3) The Central Government shall appoint a member of the Tribunal to be President thereof.
>
> (4) The powers and functions of the Appellate Tribunal may be exercised and discharged by benches constituted from members of the Tribunal by the President of the Tribunal.
>
> (5) If the members of a bench differ in opinion on any point, the point shall be decided according to the opinion of the majority, if there is a majority; but if the members are equally divided, they shall state the point or points on which they differ and the case shall be referred by the President of the Tribunal for hearing of such point or points by one or

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more of the other members of the Tribunal and such point or points shall be decided according to the opinion of the majority of the members of the Tribunal who have heard the case, including those who first heard it.

(6) Subject to the provisions of this Act, the Appellate Tribunal shall have power to regulate its own procedure and the procedure of benches of the Tribunal in all matters arising out of the discharge of its functions, including the places at which the benches shall hold their meetings.

4B. *Board of Valuers.*—(1) The Central Government shall appoint a Board of Valuers consisting of a sufficient number of qualified persons to act as Valuers for the purpose of this Act and shall fix a scale of charges for the remuneration of such persons.

(2) The Central Government may from time to time appoint persons to be members of the Board of Valuers.

(3) The Central Government shall appoint one of the members of the Board to be President thereof.

(4) The powers and functions of the Board may be exercised and discharged by benches constituted from members of the Board by the President of the Board.

(5) Subject to the provisions of this Act, the Board shall have power to regulate its own procedure and the procedure of benches of the Board in all matters arising out of the discharge of its functions, including the places at which the benches shall hold their sittings."

House divided: Ayes, 51; *Noes,* 195.

Division No. 2] AYES [12-52 p.m.

Banerjee, Shri
Basu, Shri K. K.
Buchhikotaiah, Shri
Chakravartty, Shrimati Renu
Chatterjea, Shri Tushar
Chatterjee, Shri N. C.
Chaudhuri, Shri T. K.
Chowdhary, Shri C. R.
Chowdhury, Shri N. B.
Damodaran, Shri N. P.
Das, Shri Sarangadhar
Deo, Shri R. N. S.
Deshpande, Shri V. G.
Gidwani, Shri
Gowd, Shri Y. G.
Gurupadaswamy, Shri M. S.
Kelappan, Shri
Kripalani, Shrimati Sucheta
Krishnaswami, Dr.
Menon, Shri Damodara
Mishra, Pandit S. C.
More, Shri S. S.
Mukerjee, Shri H. N.
Murthy, Shri B. S.
Naidu, Shri N. R.
Nanadas, Shri
Nayar, Shri V. P.
Nesamony, Shri
Patnaik, Shri U. C.
Punnoose, Shri
Raghavachari, Shri
Raghavaiah, Shri
Ramnarayan Singh, Babu
Randaman Singh, Shri
Rao, Dr. Rama
Rao, Shri Gopala
Rao, Shri Vittal
Reddi, Shri Madhao
Reddi, Shri Ramachandra
Reddy, Shri Eswara
Richardson, Bishop
Rishang Keishing, Shri
Shah, Shrimati Kamlendu Mati
Sinha, Thakur J. K.
Somani, Shri G. D.
Sundaram, Dr. Lanka
Swamy, Shri N. R. M.
Trivedi, Shri U. M.
Tulsidas, Shri
Veeraswamy, Shri
Waghmare, Shri

NOES

Abdullabhai, Mulla
Abdus Sattar, Shri
Achal Singh, Seth
Achint Ram, Lala
Achuthan, Shri
Agarwal, Prof.
Akarpuri, Sardar
Alagesan, Shri
Altekar, Shri
Ansari, Dr.
Balakrishnan, Shri
Balasubramaniam, Shri
Barman, Shri
Barupal, Shri P. L.
Basappa, Shri
Bhagat, Shri B. R.
Bharati, Shri G. S.
Bhatkar, Shri
Bhatt, Shri C.
Bheekha Bhai, Shri
Boovaraghasamy, Shri

Borooah, Shri
Buragohain, Shri
Chanda, Shri Anil K.
Chandak, Shri
Chandrasekhar, Shrimati
Chaturvedi, Shri
Chaudhary, Shri G. L.
Chaudhury, Shri R. K.
Chavda, Shri
Chinaria, Shri
Choudhri, Shri M. Shaffee
Dabhi, Shri
Das, Dr. M. M.
Das, Shri B. K.
Das, Shri K. K.
Das, Shri Ramananda
Das, Shri S. N.
Deb, Shri S. C.
Deshmukh, Shri C. D.
Deshpande, Shri G. H.
Dholakia, Shri
Dhusiya, Shri
Doraswamy, Shri
Dube, Shri Mulchand
Dube, Shri U. S.
Dwivedi, Shri M. L.
Elayaperumal, Shri
Gadgil, Shri
Ganga Devi, Shrimati
Ganpati Ram, Shri
Ghulam Qader, Shri
Gopi Ram, Shri
Gounder, Shir K. P.
Gounder, Shri K. S.
Hari Mohan, Dr.
Hazarika, Shri J. N.
Heda, Shri
Hyder Husein, Ch.
Ibrahim, Shri
Iyyani, Shri E.
Iyunni, Shri C. R.
Jagjivan Ram, Shri
Jajware, Shri
Jayashri, Shrimati
Jena, Shri K. C.
Jena, Shri Niranjan
Jha, Shri Bhagwat
Joshi, Shri Krishnacharya
Joshi, Shri M. D.
Joshi, Shri N. L.
Joshi, Shrimati Subhadra
Kakkan, Shri
Kasliwal, Shri
Katham, Shri
Katju, Dr.
Keshavaiengar, Shri
Keskar, Dr.
Khardekar, Shri
Khedkar, Shri G. B.
Khuda Baksh, Shri M.
Kirolikar, Shri
Kolay, Shri
Krishna, Shri M. R.
Krishna Chandra, Shri
Krishnamachari, Shri T. T.
Krishnappa, Shri M. V.
Kureel, Shri B.
Lal, Shri R. S.
Lallanji, Shri
Laskar, Prof.
Lingam, Shri N. M.
Mahodaya, Shri
Mahtab, Shri
Majhi, Shri R. C.
Malaviya, Shri K. D.
Malvia, Shri B. N.
Malviya, Pandit C. N.
Malviya, Shri Motilal
Mandal, Dr. P.
Masuriya Din, Shri
Maydeo, Shrimati
Mehta, Shri Balwant Sinha
Mishra, Prof. S. N.
Mishra, Shri Bibhuti
Mishra, Shri L. N.
Mishra, Shri Lokenath
Mishra, Shri M. P.
Misra, Shri B. N.
Misra, Shri R. D.
Mohiuddin, Shri
Morarka, Shri
More, Shri K. D.
Mukne, Shri Y. M.
Musafir, Giani G. S.
Muthukrishnan, Shri
Nair, Shri C. K.
Namdhari, Shri
Narasimhan, Shri C. R.
Naskar, Shri P. S.
Natawadkar, Shri
Natesan, Shri
Nathwani, Shri N. P.
Nehru, Shri Jawaharlal
Neswi, Shri
Nijalingappa, Shri
Pande, Shri C. D.
Pannalal, Shri
Parikh, Shri S. G.
Patel, Shri B. K.
Patel, Shri Rajeshwar
Patel, Shrimati Maniben
Pathrikar, Dr.
Pillai, Shri Thanu
Rai Bahadur, Shri
Raghubir Singh, Ch.
Ram Saran, Prof.
Ramanand Shastri, Swami
Ramananda Tirtha, Swami
Ramaswamy, Shri P.
Ramaswamy, Shri S. V.
Ranbir Singh, Ch.
Rane, Shri
Rao, Diwan Raghavendra
Raut, Shri Bhola
Roy, Shri B. N.
Sahaya, Shri Syamnandan
Sahu, Shri Bhagabat
Sahu, Shri Rameshwar
Saigal, Sardar A. S.
Samanta, Shri S. C.
Sanganna, Shri
Sankarapandian, Shri
Satish Chandra, Shri
Sewal, Shri A. R.
Shah, Shri C. C.
Shah, Shri R. B.
Sharma, Pandit Balkrishna
Sharma, Pandit K. C.
Sharma, Prof. D. C.
Sharma, Shri R. C.
Siddananjappa, Shri
Singh, Shri D. N.
Singh, Shri Babunath
Singh, Shri M.N.
Singh, Shri R. N.
Singh, Shri, T. N.
Singhal, Shri S. C.
Sinha, Dr. S. N.
Sinha, Shri A. P.
Sinha, Shri Anirudha
Sinha, Shri B. P.
Sinha, Shri N. P.
Sinha, Shri Satya Narayan
Sinhasan Singh, Shri
Siva, Dr. Gangadhara
Snatak, Shri
Somana, Shri N.
Soren, Shri
Suresh Chandra, Dr.
Tek Chand, Shri
Telkikar, Shri
Thomas, Shri A. M.
Tivary, Shri V. N.
Tripathi, Shri H. V.
Tripathi, Shri K. P.
Tripathi, Shri V. D.
Upadhyaya, Pandit Munishwar Datt
Vaishnav, Shri H. G.
Varma, Shri B. B.
Varma, Shri B. R.
Vidyalankar, Shri A. N.
Vishwanath Prasad, Shri
Vyas, Shri Radhelal
Wodeyar, Shri

The motion was negatived.

Mr. Chairman: Now, amendments Nos. 9, 10 and 11 are, I think, barred in view of the decision on amendment No. 12. I will now put the clause to the House.

The question is:

"That clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

Clause 5.—(*Levy of estate Duty*).

Mr. Chairman: We will take up clause 5. There is still time; we have to adjourn at 1-15 and we meet again at 4 o'clock.

Shri Sarmah: I beg to move:

In page 4,

(i) *after* line 16, *insert*—

"(2) For the purpose of this Act all properties shall be deemed to be governed by Mitakshara system of Hindu Law of succession.", and

(ii) line 17, *for* "(2)" *substitute* "(3)".

1 P.M.

Shri R. S. Tiwari (Chhatarpur-Datia-Tikamgarh): I beg to move:

In page 4,

(i) *after* line 16, *insert*—

"(2) For the purpose of this Act all properties shall be deemed to be governed by the Mitakshara system of Hindu Law of succession", and

(ii) line 17, *for* "(2)" *substitute* "(3)".

Shri N. C. Chatterjee: I beg to move:

In the amendment proposed by Shri Debeswar Sarmah and others for "(2) For the purpose of this Act all properties shall be deemed to be governed by Mitakshara system of Hindu Law of succession" *substitute*

"(2) For the purpose of this Act a father and his sons governed by the Dayabhaga School of Hindu law shall be deemed to be members of a coparcenary under the Mitakshara law".

Shri S. S. More: I beg to move:

In page 4, *after* line 23, *insert*:

"*Explanation.*—The private properties of *ex*-Rulers of States and their privy purses shall be deemed to be property subject to the levy of estate duty within the meaning of sub-section (1)".

Shri B. P. Sinha (Monghyr Sadr *cum* Jamui): I beg to move:

In page 4,

(i) line 13, *for* "including" *substitute* "excluding"; and

(ii) line 15, *after* "Act" *insert* "to the limit of ceiling fixed in the State or equivalent to the value of rupees twenty-five thousand".

Shri Mulchand Dube (Farrukhabad Distt.—North): I beg to move:

In page 4, line 15, *after* "Act" *insert* "on which the rights of the zamindars or intermediaries have not been abolished".

Shri V. P. Nayar (Chirayinkil): I beg to move:

In page 4, *after* line 16, *add*:

"*Explanation.*—For purposes of this section all private properties, including privy purses of the *ex*-Rulers whether held within India or not, shall be deemed to be subject to the levy of estate duty."

Shri Veeraswamy (Mayuram—Reserved—Sch. Castes): I beg to move:

(I) In page 4,

(i) line 14, *for* "land" *substitute* "lands in all the States."

(ii) lines 14 and 15, *omit* "situate in the States specified in the Schedule to this Act."

(II) In page 4, *for* lines 17 to 23, *substitute*:

> "(2) The amount of estate duty collections shall be earmarked for uplift work of the Scheduled Castes, Scheduled Tribes and other backward classes, for solving the beggar problem by starting Beggar Relief Homes and for starting institutions for destitute children throughout the country in such proportions as may be decided by an Act of Parliament soon after this Act comes into force."

Mr. Chairman: Amendments moved:

In page 4,

(i) *after* line 16, *insert*—

> "(2) For the purpose of this Act all properties shall be deemed to be governed by Mitakshara system of Hindu Law of succession", and

(ii) line 17, *for* "(2)" *substitute* "(3)".

In page 4,

(i) *after* line 16, *insert*—

> "(2) For the purpose of this Act all properties shall be deemed to be governed by the Mitakshara system of Hindu law of succession", and

(ii) line 17, *for* "(2)" *substitute* "(3)".

In the amendment proposed by Shri Debeswar Sarmah and others, *for* "(2) For the purpose of this Act all properties shall be deemed to be governed by Mitakshara system of Hindu Law of succession" *substitute*—

> "(2) For the purpose of this Act a father and his son governed by the Dayabhaga School of Hindu law shall be deemed to be members of a coparcenary under the Mitakshara law".

In page 4, *after* line 23, *insert*—

> "*Explanation.*—The private properties of *ex*-Rulers of States and their privy purses shall be deemed to be property subject to the levy of estate duty within the meaning of sub-section (1)".

In page 4,

(i) line 13, *for* "including" *substitute* "excluding"; and

(ii) line 15, *after* "Act" *insert* "to the limit of ceiling fixed in the State or equivalent to the value of rupees twenty-five thousand".

In page 4, line 15, *after* "Act" *insert* "on which the rights of the zamindars or intermediaries have not been abolished".

In page 4, *after* line 16, *add*:

> "*Explanation.*—For purposes of this section all private properties, including privy purses of the *ex*-Rulers whether held within India or not, shall be deemed to be subject to the levy of estate duty."

In page 4, *for* lines 17 to 23, *substitute*—

> "(2) The amount of estate duty collections shall be earmarked for uplift work of the Scheduled Castes, Scheduled Tribes and other backward classes, for solving the beggar problem by starting Beggar Relief Homes and for starting institutions for destitute children throughout the country in such proportions as may be decided by an Act of Parliament soon after this Act comes into force."

Government amendments are 615, 617 and 618.

Shri C. D. Deshmukh: I think they are verbal amendments which are consequential on the rates forming part of the present Bill which were put in a Schedule and, therefore, the numbers of the Schedules have to be altered. The Bill will now have two Schedules instead of one as at present. The Schedule containing the names of Part A States and Part B States will be the First Schedule and the Rates will be the Second Schedule.

Shri N. C. Chatterjee: On a point of order Sir. The House may remember what had happened with regard to the suggestion made on this Bill *i.e.* the first Bill which we were discussing, the Estate Duty Bill of 1952, whether it should incorporate any schedule of rates or not. If the Government had brought this matter originally, in this Bill, from its very inception, then the position would have been quite different. The matter would have been discussed in this House. It would have been referred to the Select Committee and the Select Committee would have considered the whole matter including the rates, and the slabs, and then the whole Bill would have come back to the House along with the recommendations thereof. That would have been a normal and proper procedure. Government deliberately did not adopt that procedure in spite of the fact that some Members made suggestions to that effect.

Then, Sir, in the Select Committee also, as you may remember, some such suggestions were put forward, but the Government opposed the suggestions throughout and maintained that that must form the subject matter of a separate Bill and a separate Central Act. Now, at the eleventh hour, because of some difficulty, not because of any inherent difficulty, but because we understand that the Colombo Conference is coming here, the Government want to withdraw the second Bill and incorporate the same as an amendment to this Bill. The question is whether this is in order. That shows the Government's objection in the past was not substantial. The position has got to be examined, so that the procedure of the House is not vitiated by any irregularity or illegality. The Bill provides, as you may remember, that the rates shall be provided in a separate Act. I think that section is section 34. If you look into that clause, it clearly shows that the "rates of estate duty shall be according to such scales as may be fixed by an Act of Parliament." Now, that is the scheme of this legislation. The matter was debated in the House on the second reading when the principles of the Bill were discussed, and that was a part of the accepted principle of the Bill—that the rates of duty shall be determined by a separate Central Act, and the Government never deviated from that position. The House approved of the Government's point of view, and therefore the matter was not even considered by the Select Committee on its merits. Now that the Bill has come back with the report of the Select Committee, for the consideration of the clauses of the Bill at this stage, they want to put in the rates in this Bill. Now, I maintain, to put in an amendment like that is really outside the scope of this Bill as introduced by the Government, as considered by the House, as approved by the House, as considered by the Select Committee, approved by the Select Committee and again approved by the House. The position has become worse, because the Government had introduced in fact a separate Bill which is pending before the House. Now, they propose to withdraw the Bill and present it, incorporating it as an amendment here. That is an extraordinary position. This means that the procedure of the whole House is in a melting-pot; this shows the instability of the Government's decision. To introduce the second Bill into, the first Bill, is, I maintain, against the rule and is not legal.

If you look into rule 100 of our Rules of Procedure and Conduct of Business, page 28, you will find:

> "(i) An amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates."

I submit it is not within the scope of the Bill. The scope of the Bill was clearly defined and specified. The whole scope was that this shall not form part of the Bill.

> "(ii) An amendment shall not be inconsistent with any previous decision of the House on the same question."

This was considered, the House accepted the position, and the House clearly gave a mandate that the Select Committee shall consider the Bill as it stood, without any question of rates. I submit that it will be really infringing the mandatory provisions of Rule 100 to allow an amendment like this at this stage.

Dr. Lanka Sundaram: I agree with what Mr. Chatterjee has said regarding the point of order he raised. I feel that this House is entitled to a little more courtesy from the Government, in regard to the manner in which Bills have been brought in and telescoped. Apart from what Mr. Chatterjee has said, I would like to say that possibly this House would have referred the Rates Bill to the Select Committee itself. Even that procedure has been short-circuited, and I feel very strongly that the rights of this House should not be tampered with light-heartedly.

Finally it would appear that the Government are anxious to send this Bill to the other place. I do not know why this House should be short-circuited in the manner in which it is sought to be done now through the proposed amendments Nos. 615, 616, etc., moved by the hon. Finance Minister. Viewed from any angle, it occurs to me that this amendment will be clearly *ultra vires* of the Rules of Procedure, and that this Rates Bill must be taken up separately. They cannot be telescoped into each other. After all, the Rates Bill is almost equivalent to a Finance Bill, and the House must have ample opportunities of going through the three-decker debates which we are accustomed to. I am sure the amendment cannot be accepted for incorporation in the Bill.

Shri U. M. Trivedi (Chittor): I rise to a point of order that the amendment moved by the hon. the Finance Minister is not a proper one. Apart from what Mr. Chatterjee and Dr. Lanka Sundaram have said, the amendment moved by the hon. Finance Minister contravenes the provisions of clause (1) of Article 117 which says:

> "A Bill or amedment making provision for any of the matters specified in sub-clauses (a) to (f) of clause (1) of article 110 shall not be introduced or moved except on the recommendation of the President, etc."

Sub-clause (a) of Article 110 refers to "the imposition, abolition, remission, alteration or regulation of any tax." So, this amendment comes within the provision of this sub-clause.

The original intention of Government was to have a separate Act for rates of Estate Duty. By this amendment Government propose to club it into this Bill. The amendment requires the previous consent of the President and is therefore out of order.

Shri C. D. Deshmukh: This has been recommended by the President.

Shri U. M. Trivedi: But the Rules of Procedure require that it must be mentioned in the amendment itself. Rule 101 says:

> "If any member desires to move an amendment which under the Constitution cannot be moved without the previous sanction or recommendation of the President, he shall annex to the notice required by these rules such sanction or recommendation conveyed through a Minister and the notice shall not be valid until this requirement is complied with."

My submission, therefore, is that this amendment is out of order.

Mr. Chairman: Has the hon. Member read Rule 245?

So far as the point of order raised by the hon. Member, Mr. Trivedi, is concerned, under Rule 245 the necessary sanction of the President has already been communicated as required by that rule. So I do not think there is anything in that point of order.

An Hon. Member: Communicated to whom?

Mr. Chairman: To the Secretary. This is what it says:

> "The President, having been informed of the subject-matter of the proposed amendments, recommends to the House of the People the moving and consideration of the amendments in the annexure to my letter of the 1st September 1953."

Shri U. M. Trivedi: With great respect I submit that Rule 245 relates only to a matter of procedure, what should be followed, whereas Rule 101 is a positive provision. Rule 101 requires that "if any member desires to move an amendment which under the Constitution cannot be moved without the previous sanction or recommendation of the President, he shall annex to the notice required by these rules such sanction or recommendation..." This requires a notice and it must be communicated to the hon. the Speaker. We, Members must have notice and we have not had any.

Mr. Chairman: The notice of the amendment is there, and the necessary sanction has already been communicated. I still stick to the same view.

So far as the other point of order is concerned we will hear the Finance Minister.

Some Hon. Members: Let us take it up in the afternoon.

Mr. Chairman: Very well. The House stands adjourned till 4 P.M.

The House then adjourned till Four of the Clock

The House reassembled at Four of the Clock

[MR. DEPUTY-SPEAKER *in the Chair*]

4 P.M.

Mr. Deputy-Speaker: Is there sufficient quorum?

There is no quorum.

Some Hon. Members: The bell may be rung.

Shri N. Somana: There are some Members in the lobby.

Mr. Deputy-Speaker: But, lobby is not part of the House. Now, there is quorum. Yes; the hon. Finance Minister.

Shri C. D. Deshmukh: I must confess to a sense of surprise at the objection that has been taken by the hon. Member to the effect that my amendment is not within the scope of the Bill. So far as the other objections are concerned that it is not very logical, that the conduct of the Government has not been very consistent, these matters are separate and may or may not have any weight. They certainly do not have weight in any consideration of a point of order. It is possible that it may have been better had we changed our mind earlier. I can only say that I was influenced in introducing this provision here at this stage merely by the desire to save a little time. The only inconvenience of that is, of course, what was referred to by the hon. Member that the Select Committee has not had the time to thrash this thing out. That, again, may be an inconvenience to the House. But, this is not the first occasion in which a Money Bill or a Finance Bill has not been referred to a Select Committee. If one examines the practice in the past, one would find more numerous instances of Finance Bills, not having been referred to a Select Committee.

Secondly, in considering this, even if there had been a Select Committee, they would have only taken into account the sort of matters that have already been considered, namely, the general social and economic effect of an estate duty, the effect on capital formation of the rates taken together with the exception limit and so on. It was to facilitate that kind of discussion in the full House that I have brought this forward. In any case, I do not think that it has any immediate bearing on this question. It is a narrow issue; whether this amendment is within the scope of the Bill or not. I have yet to be convinced that for a taxation measure, the matter of rates is not within the scope of the Bill.

When this measure was brought forward before the House, the only principle that I asked the House to accept was that there should be a levy of the nature of an estate duty, in other words, that there should be additional taxation of this kind and that it should include also agricultural land. That being the only principle, I do not see what we gain now by saying that the matter of rates is something that is not included within the principle. After all, once one accepts the principle that there shall be such a levy and in contradistinction to death and succession duties, it should take the form of an estate duty, all other matters can be regarded as ancillary or incidental or consequential. So far as the rates are concerned, it is not as if we failed even to make a reference to the question of rates. All that clause 34 says is that the rates shall be as may be fixed by an Act of Parliament. That, it seems to me, refers to a question of procedure: that is to say, whether the Executive should be encouraged to review this matter of rates from time to time, which would be the case if it was in the form of a Finance Bill, or whether we should aim at a greater degree of stability in the initial period. That is a matter in which there can be a difference of opinion. But, I submit that that matter does not go to the heart of this question as to whether this amendment comes within the principle of the Bill. I think it is perfectly legitimate for any hon. Member to bring in an amendment. Instead of leaving this matter to be decided from time to time, we should like it to be decided here and now, although we recognise that the same Parliament which makes this law today, can, if they influence the Executive one way or the other, have it changed in a year's time or six months' time or whenever an occasion for such a change arises. Therefore, I submit that this is entirely within the scope of the Bill. It is not as if we are trying to construe some constitutional statute where it says that a certain matter shall be as determined by a law of Parliament. In other words, we have adopted the wording of an article of the Constitution. But, all that it means is that (a) the Executive shall not decide the rates by a notification, that they shall be included in a Bill and (b) that we better not do it now but leave it to be done later from time to time. So far as the first matter is concerned, there are plenty of precedents for the view that what the Parliament thinks can, by virtue of an amendment, be incorporated in the Act itself should not be left to the Executive.

The second matter is, as I said, the question of timing. What I would submit is this. This matter of timing does not go to the heart of the question. This is perfectly within the scope of the Bill.

Mr. Deputy-Speaker: Objection was raised that the amendment now sought to be made is beyond the scope of the Bill. As a matter of fact, clause 34 of the Bill contemplates prescription of the rates by an Act of Parliament. This is an Act of Parliament and therefore there is no harm if it is introduced in this.

[Mr. Deputy-Speaker]

First of all, there are two provisions. Para (i) of Rule 100 was referred to in this connection. It says:

> "An amendment shall be within the scope of the Bill and relevant to the subject matter of the clause to which it relates."

So far as the question of relevancy is concerned, it is absolutely relevant. As a matter of fact, without the rates, this Act will be a dead letter. Whether in this Act or by a separate Act, the rates have to be fixed. Otherwise, it cannot come into operation. This is the very soul of the Bill. Therefore, on the ground of relevancy this cannot be thrown out.

As regards this amendment being within the scope of the Bill, I am only considering it this way. We will assume that it was contemplated that there should be a separate Act, as the provision stands. If originally the rates had been incorporated in the Bill itself, there could not have been any objection. It is not as if two distinct matters are incorporated in one Bill and a confusion brought about, that the decision of the one does not involve a decision of the other which is distinct and separate and that Parliament has to consider two distinct matters clubbed into one. This is only ancillary and consequential. In fact, without these rates, no further proceeding can take place. Under these circumstances, if it had been originally in the Bill itself, no such objection could have been taken.

From what I have read in the proceedings of this morning, the only objection seems to be that if it had been incorporated in the Bill itself, originally, it could have been considered properly by the Select Committee and as it is in a separate Bill, the matter can be considered by a Select Committee now. It is open to the House to send it to the Select Committee or not to send it to the Select Committee, but anyhow even that chance has been taken away. That is the reason for the objection. But if originally this was not incorporated in the Bill before reference to the Select Committee, and, we will assume, the hon. Finance Minister himself changed his view and said this matter may also be included, then, we have precedents in this House for sending the matter to the Select Committee with such further recommendations and direction, even including the rates, for its consideration. Therefore, the only point that can be raised is that if it is a separate Bill, hon. Members can discuss it at length at the consideration stage as to what the rates ought to be, what the structure is. and so on, and if necessary, if it is such a complicated matter, they can sit together and iron out differences, and above all, particular rates or schedules, then they may go to the Select Committee. If that thing can be allowed here and hon. Members will have that opportunity here, I do not see why this ought to be avoided and we should have the paraphernalia of waiting for a separate Bill.

However, this is a serious matter. I do not want this to be a precedent for the future. The rule as it stands is that the amendment shall be within the scope of the Bill. True, it is not inconsistent. It is in the nature of things that it can be in the Bill. This is an Act of Parliament. All the same, technically, I am afraid, it is not within the scope of the Bill. I would suggest, therefore, that this rule may be suspended and if the hon. Minister makes a motion, then it is for the House to suspend the rule, in which case we can take it up and allow the House an opportunity to go into the matter. I am afraid more of the future, lest it should become a precedent, and every time some other thing may be brought forward. I, for my part, am only too willing to suspend this rule under the latter rule No. 302, but suspension is in the hands of the House. If the Finance Minister is prepared to move, I will place it before the House, in which case it will not be a decision only of the Chair, it will be a decision of the House.

Shri C. D. Deshmukh: As a matter of abundant caution—I thing it is rule 302. I beg move:

> "That Clause (1) of rule 100 of the Rules of Procedure and Conduct of Business in the House in so far as it requires that an amendment shall be within the scope of the Bill be suspended in its application to Government amendments Nos 615, 617, 618, 631, 632, 633, 634, 635, 636 and 637, of the Estate Duty Bill and that these amendments may be allowed to be moved."

Mr. Deputy-Speaker: Motion moved:

> "That Clause (1) of rule 100 of the Rules of Procedure and Conduct of Business in the House in so far as it requires that an amendment shall be within the scope of the Bill be suspended in its application to Government amendments Nos. 615, 617, 618, 631, 632, 633, 634, 635, 636 and 637, of the Estate Duty Bill and that these amendments may be allowed to be moved."

Shri S. S. More: A suspension of rules is being sought under rule 302. It is a very important decision, and will, therefore, previous notice be not essential? At the eleventh hour, on the spur of the moment, moving for the suspension of rules will be a more dangerous precedent than the precedent that you referred to. So, it wil be always very dangerous. Rules have been framed for regulating the business of the House. It is the Government's primary responsibility to see that all the rules are properly observed. If they are negligent in the observance of the rules, or by some oversight, they circumvent the rule, allowing them at the eleventh hour and on the spur of the moment to make such a move for the rules to be suspended will again require your consent, *i.e.*, the consent of the Speaker. You might have made a suggestion, but that does not mean consent has been given in advance

Mr. Deputy-Speaker: No.

Shri K. K. Basu: Mind is already expressed.

Shri S. S. More: I am not supposed to take notice of the Speaker's mind.

Mr. Deputy-Speaker: A suggestion is not binding on me.

Shri S. S. More: That is the point. As far as adjournment motions are concerned, you have been very chary, I may say, of giving your consent. I think the same frame of mind will also persist even in this matter, and when Government is allowed to suspend a rule of very great importance in which the privileges and the procedure relating to the House are at stake, you will be thrice cautious in giving your consent to such a move. Therefore, we shall be perfectly reasonable if we say that at least previous notice should have been given to us regarding the intention of the Government to pray for the suspension of the rule. Otherwise, we will be always at sea. Government may commit some mistakes. They will try to cover up their mistakes by having the rule suspended. We, Members of the Opposition, and even from the Treasury Benches must know where we stand. Otherwise we shall be always standing on the slippery ground of the whims and fancies of the Government. Therefore, I am making a special appeal to you that as far as your consent is concerned, as you have been very particular to refuse your consent to adjournment motions, the same strictness may be exercised here, and the consent will be rather as rare as in our case as a matter of fact. So, my submission is that it is a very grave precedent which the Government is out to establish. It is a sort of positive danger to the procedural rights of all the sections of the House, and, therefore,

[Shri S. S. More]

I would make a very serious submission to you that at least you will insist on sufficient previous notice before the matter is put to the vote of the House.

Shri M. S. Gurupadaswamy: Sir, you were pleased to say just now that this matter may be treated as an exception, and should not be quoted as a precedent hereafter. But, I beg to submit that these exceptions may become the rule hereafter, and in the future the Government may often take shelter under this precedent. If they feel that they should bring a particular matter or incorporate a particular matter in a Bill at a later stage, they may quote this precedent, and however much you may say that this should not be taken as a precedent, I fear this may go as a precedent.

Moreover, I want to submit that sufficient opportunity, sufficient time, was given to the Finance Minister to consider this matter. We made requests, repeated requests, on the floor of the House when the Bill was under consideration that the rate of taxation should be made part and parcel of the Bill. On that occasion, he said that it would not be advisable, and there would be a separate Bill for the purpose. So, I want to remind him of what he has said before, and also I want to remind him that this procedure that he has adopted, *i.e.*, the suspension of this particular provision, may lead to dangerous precedents and create difficulties in the future. So, I strongly appeal to the Finance Minister not to press this motion for suspension of the rule.

Mr. Deputy-Speaker: There are two points that have been raised, so far as this motion is concerned: first, that notice might not be waived, *i.e.*, there must be sufficient notice of this motion. Secondly, if perchance notice is waived, consent ought not to be given to this motion. I find that all that has to be said so far as discussion of the matter as part of this Bill is concerned, has been said in the morning, and the hon. Finance Minister has also replied to it, and I said what I had to say. If really this is a matter of such great substance that the House is either taken by surprise and will not have an opportunity of discussing the matter at length, or will lose all that opportunity unlike in the case where the matter is allowed to be agitated and discussed by the House if there is a separate Bill to be brought forward later on,—it is now merely a question of time,—and if in substance, the new Bill is going absolutely contrary to the original intentions of the Bill, then I would certainly refuse to give my consent to this motion or to waive notice.

The only point here is whether there is sufficient time or not for purposes of discussion. This matter of rates comes only in the Schedule to the Bill. By the time we reach the Schedule, there will be sufficient time for hon. Members to sit together and discuss almost every day this matter in advance, and move whatever further amendments are necessary in this connection. Of course, hon. Members know only too well that the rates of duty can only be reduced, and not enhanced, without the sanction of the President.

Under these circumstances, if it is a matter of importance in substance, I would certainly agree with hon. Members that I ought not to hastily give my consent or create even a precedent so far as this matter is concerned. But to say that under no circumstances should the rule be waived will mean going against the very purpose of having a rule like 302. In exceptional cases, this is intended to apply: I feel that the present case is an exceptional one, where the rule ought to be suspended.

I was myself in the Select Committee and I am not disclosing any secret to the House when I say that hon. Members found it very difficult to go through a mere skeleton Bill like this without knowing what exactly the proper rates of duty will be, and what the whole effect of this Bill will be for some time to come. Therefore they intended at various stages that this matter ought to be brought up. What exactly the House wanted then is now being done. No doubt, the hon. Finance Minister was not able to make up his mind then; evidently, he himself wanted to know what the position will be, and therefore he took time. But he gave an assurance there, and in pursuance of that assurance, before the original parent Bill is passed, he has introduced the other Bill dealing with the rates, so as to give an opportunity to hon. Members to discuss this matter and treat both these Bills as parts of the same Bill in effect. When we have gone so far as that, I do not find that there is any objection of substance to my refusing to give consent or to waive the rule relating to amendments. I will see to it that hon. Members have sufficient time to discuss this matter, as much time as if we have a separate Bill, to discuss both the principle, as well as the amendments clause by clause. I will not hustle hon. Members, so far as this matter is concerned.

The hon. Member Mr. More wanted indirectly to take exception to some of my rulings, so far as adjournment motions are concerned. I know it is not his intention. That matter stands on a different footing altogether. Let us therefore not confuse one thing with the other.

I will waive notice in regard to this motion, and I will also give my consent to it.' I leave it to the House to accept or reject this motion. I shall now put the motion to the vote of the House.

Shri V. P. Nayar: May I know from you, Sir, whether before this, we had any suspension of rules like this. Because this is a very serious matter, I would like to know when, in what cases and under what circumstances, a similar consent has been given for suspending existing rule?

Shri Gadgil: The very fact that the rule is there contemplates such a situation.

Mr. Deputy-Speaker: Apart from rule 302, I might say that this is not the first instance. I have myself waived notice or suspended this rule on some previous occasions. I do not carry all of them in my brain now.

I allow the suspension of this rule, and I give my consent to make this motion. I shall now put the motion to the vote of the House.

The question is:

> "That clause (1) of Rule 100 of the Rules of Procedure and Conduct of Business in the House in so far as it requires that an amendment shall be within the scope of the Bill be suspended in its application to Government amendments Nos. 615, 617, 618, 631, 632, 633, 634, 635, 636 and 637 of the Estate Duty Bill and that these amendments may be allowed to be moved."

The motion was adopted.

Mr. Deputy-Speaker: The amendments may now be moved.

Shri C. D. Deshmukh: I beg to move:

(i) In page 4, line 14, *for* 'the Schedule" *substitute* "the First Schedule".

(ii) In page 4, line 18, *for* "the Schedule" *substitute* "the First Schedule".

(iii) In page 4, line 22, *for* "the Schedule" *substitute* "the First Schedule".

All these are verbal amendments, Sir.

Mr. Deputy-Speaker: Amendments moved:

(i) In page 4, line 14, *for* "the Schedule" *substitute* "the First Schedule".

(ii) In page 4, line 18, *for* "the Schedule" *substitute* "the First Schedule".

[Mr. Deputy-Speaker]

(iii) In page 4, line 22, *for* "the Schedule" *substitute* "the First Schedule".

As for the non-official amendments, they have already been moved.

Shri T. S. A. Chettiar (Tiruppur): I take it that the discussion is on the clause as well as the amendments.

Mr. Deputy-Speaker: Yes.

Shri T. S. A. Chettiar: In clause 5, there are certain matters which require clarification. Under Entry No. 87 in the Seventh Schedule of the Constitution, relating to Union List, we find that estate duty in respect of property other than agricultural land alone belongs to the Centre. So, estate duty on agricultural lands belongs to the States. Now a joint estate duty is to be levied on all properties, including agricultural lands. From the Schedule to the Estate Duty Rates Bill, 1953, Bill No. 44 of 1953 we get an idea of how the rates are proposed to be levied. According to the scheme envisaged in that Bill, there are certain reductions made for the agricultural portion of the estate. I would ike to know how Government propose to apportion the duty collected under this Estate Duty Bill, as between the Centre and the different States.

If the duty levied is on the ordinary rate system, then there will not be any difficulty, because in the returns to be submitted, we make two separate returns, one for agricultural property, and another for property other than agricultural land. In that case, it is merely a matter of totals which can be easily solved.

But here we have a slab system, and the duty on the slab system varies according to the total value of the property. It may be that the properties other than agricultural land may be the main items, or it may be partly properties taxable under the Income-tax Act, according to the Union List, and partly agricultural land, or wholly agricultural land only. I would like to know under the slab system as it obtains today, how they will separate the amount of taxes collected from agricultural land which should go to the States, according to the Constitution, from that on other properties, which should go to the Centre.

Shri Raghavachari: Nothing goes to the Centre. All of it goes to the States.

Shri T. N. Singh: Except the collection charges.

Shri T. S. A. Chettiar: Let me have it from the proper source.

Mr. Deputy-Speaker: Under the Constitution, the Centre is only a collecting agent. The entire proceeds go to the States, *minus* the expenses.

The Deputy Minister of Finance (Shri M. C. Shah): May I point out that the matter has been specifically mentioned in paragraph 3 of the Statement of Objects and Reasons.

Shri T. S. A. Chettiar: I next come to the Schedule in the Bill which gives the names of the States whose Legislatures have passed the necessary resolutions. I find from that Schedule certain Part A States and certain Part B States have not passed the resolutions. Under amendments Nos. 595, 596 and 597, Punjab, Madhya Bharat and all Part C States are to be included in the Schedule. The question now arises as to what happens to the other States.

Shri M. C. Shah: The moment they pass the resolutions, by notification, the other States will be included in the Schedule.

Shri T. S. A. Chettiar: There are certain States, which, I understand, have refused to agree with the idea of an estate duty, as for instance Travancore-Cochin and West Bengal. I would like to know what is going to happen in the case of these States. There may be certain States which are prepared to levy this tax heavily, maybe through legislation by the Centre, but there are certain other States, which are not prepared to levy this tax.

Mr. Deputy-Speaker: What is the difficulty? If they do not agree, they do not get anything. It seems to be a simple position. I am not able to follow the hon. Member. If particular States do not want that a tax should be imposed on agricultural property, to that extent, they do not get it.

Shri T. S. A. Chettiar: That is true. For their demands, they can come to the Centre and ask for grants. It is possible that a particular State may refuse to levy the tax in its territory, but may still come to the Centre and say, 'I want to progress, so I want money for my development schemes, and as in the case of other States, give me money.' That will lead to differentiation in taxation and its incidence as between people who are prepared to levy on themselves this tax and those who are not prepared to levy it.

I should like to make the position clear. It is true that under the Bill such States who are prepared to pass a Resolution only get that money; other States do not get it. But if in the matter of giving development grants and other things the Centre is prepared to support those States who do not pass the Resolution, that will mean that the incidence of taxation upon those people who have agreed to this will be more, and in a matter like this......

Shri S. V. Ramaswamy: I would like to interrupt my hon. friend. Will it not be discrimination under Article 15(1)? (*Interruptions*).

Mr. Deputy-Speaker: What I would say is that any interruption may be on a point of order unless the hon. Member yields and is prepared to allow the hon. Member to interrupt.

Shri T. S. A. Chettiar: The point I would like to make is this. In an important matter like this, unless all the States come in a line, it will result in a large difference in the incidence of taxation in particular States, and I should think the Government should use their good offices in seeing to it that all the States do pass that Resolution and come in a line. Or else it will result in differentiation.

Shri Veeraswamy: The Estate Duty Bill is of course a progressive piece of legislation, but at the same time it contains many defects. I do not want to go into the details of the defects, but what I want to say is that the hon. the Finance Minister, Mr. C. D. Deshmukh, has given much protection and safeguards to the rich people.

An Hon. Member: Quite natural.

Shri Veeraswamy: Everybody knows that the hon. Mr. Deshmukh is a very good friend of the capitalists. I want that our Finance Minister should be the best friend of the poor people.

Mr. Deputy-Speaker: The best friend is he who does not tax the poor people.

Shri Veeraswamy: He must show sympathy to the poor and oppressed masses and to the uncared for children.

Our country is of course a rich country. There is much wealth in this country, but the wealth is concentrated in the hands of a very few people. So I may describe this country as a country of the poor. The poor are not enjoying the wealth of the country, or at least the wealth that they produce.

This Bill is very limited in its working. It is not going to be applied to many States, except Bombay, Saurashtra, Rajasthan, Uttar Pradesh, Orissa, Madhya Pradesh and Hyderabad; other States are not included, because Entry 87 in the Union List of subjects reads: "Estate duty in respect of property other than agricultural land". The States are empowered to levy estate duty in respect of agricultural land according to Entry 48 in the State List of subjects.

Our Government is a republican form of Government, but in the true sense of the term it has not been so. Why I say so is because the Central

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Government has delegated to itself almost all effective powers. The States are politically impotent, just like District Boards and Municipalities. Just at a glance at the list of subjects in the State List, we can very well understand that the States do not have adequate powers.

Shri T. N. Singh: What is the amendment we are discussing, Sir?

Shri Veeraswamy: Many of the effective powers are concentrated in the hands of the Central Government. Why does this Bill not include all the States as this measure is a progressive one?

Mr. Deputy-Speaker: It is a legal matter. As the hon. Member observes, Entry 48 in the State List—estate duty on agricultural land—is within the exclusive jurisdiction of the States. Unless the States consent, Parliament has no jurisdiction.

Shri Veeraswamy: Yes, Sir. The Centre has to wait for passage of resolutions in all the State Legislatures, to enable it to pass legislation to include those States also for levy of this duty. So what I want to suggest is that some change may be made in the Central List.

Mr. Deputy-Speaker: In the Constitution itself?

Shri Veeraswamy: Yes, to include agricultural land for the purpose of levy of estate duty. In India there are 2660 million acres of land, *i.e.* 266 crores of acres. There are 11:6 million acres of culturable land and 58 million acres of fallow land. They are lying idle. Crores and crores of acres of land are concentrated in the hands of a few people. So why should the rich people, the landlords, be left unaffected by this Bill in many States? In my district Tanjore—only a very few people are landlords. Almost all the lands are in their hands and the poor people are mere cultivators and daily wage-earners. So if estate duty is to be levied on lands passing on the death of the landlords, the State will get a large amount of revenue that may be utilised for the purpose of uplift work of the poor people. The rich people have been living happily at the expense of the poor people. The poor people produce the wealth, but the rich people enjoy it When the State comes forward to level down the rich, why should it not at the same time think of levelling up the poor people who are homeless, and who are suffering in all walks of life?

With regard to the conditions of the Scheduled Castes, I need not say that the Scheduled Caste people are socially oppressed and suppressed. They are untouchable...

Mr. Deputy-Speaker: The hon. Member did not participate in the general discussion the Estate Duty Bill. So I allowed some latitude to him to go on while on clause 5. But I am afraid there are two things that hon. Members must bear in mind, particularly the hon. Member who is in possession of the House. The imposition of estate duty on agricultural land is purely in the State List. Each State Legislature has its own composition. In many States, particularly in Madras State, the composition of the Legislature is entirely different from the composition of this House. At any time persons who are more interested in the welfare of the poorer sections can get an upper hand in that House; that seems to be the party position.

Shri S. S. More: Very doubtful.

Mr. Deputy-Speaker: Under those circumstances, to think that only the Members of this House can decide as to which State ought to have done such and such a thing is not correct. All that we can do is to see whether we are doing it or not. If it is possible for this Parliament to have power to impose estate duty on agricultural land also, that is another matter. A suggestion was made that the Constitution itself must be amended. We are now working under the Constitution.

Under those circumstances, the hon. Member will confine himself to clause 5 hereafter. More than sufficient time has been given on general discussion on this Bill while on this clause.

Shri Veeraswamy: It is only by way of explanation and in support of my amendment that I was touching on that point. (*Interruption.*) What I wanted to say is that scheduled caste people are socially oppressed...

Mr. Deputy-Speaker: Again and again whenever he gets an opportunity the hon. Member says that the scheduled castes are oppressed. There must be some relevancy to the Estate Duty Bill.

Shri Veeraswamy: My amendment No. 373 reads:

In page 4, for lines 17 to 23, substitute:

> "The amount of estate duty collections shall be earmarked for uplift work of the Scheduled Castes, Scheduled Tribes and other backward classes, for solving the beggar problem by starting Beggar Relief Homes, and get starting institutions for destitute children throughout the country, in such proportions as may be decided by an Act of Parliament soon after their Act comes into force."

Mr. Deputy-Speaker: Is the hon. Member moving an amendment?

Shri Veeraswamy: I must build up argument in favour of this amendment. That is why I want to say something about the conditions of the scheduled castes, people of the backward classes and scheduled tribes and also of the beggars and the orphaned children in this country. That is why I say that the scheduled caste people are economically poverty stricken, politically ineffective and educationally very backward and so on. So I request that the aggregate amount may be spent for their welfare.

Mr. Deputy-Speaker: Order, order. I am afraid that this amendment is out of order.

Shri S. S. More: On a point of order, Sir. The Chairman who was then in the Chair allowed it to be moved. Therefore he has held it to be in order. Is it open to the Deputy-Speaker now to declare it as out of order? Are you the revising authority, Sir?

Mr. Deputy-Speaker: I will first of all answer the point of order raised by Mr. More before I proceed to my point. The hon. Members were asked to give the numbers of the amendments which they wanted to move and they were taken as moved, for the purpose of focussing the attention of the House. Supposing at a later stage some objection is raised as to how that was allowed to be moved, then the Chair can consider it and say that it originally thought it was in order and allowed it and on reconsideration it cannot be allowed. I find that under the Constitution, the question of distribution and separate allocation with respect to funds belonging to the State—this fund belongs to the State and we are only the collecting agency—and how they have to be distributed is entirely in their hands. We cannot give a direction here that they should utilise so much portion for this purpose and earmark so much for that purpose or for a particular group of people, however laudable that object may be. Therefore this amendment (373) is out of order. That is my ruling.

Shri Velayudhan (Quilon *cum* Mavelikkara—Reserved—Sch. Castes): He has almost finished. Why does he not continue?

Shri V. P. Nayar: He says he has already finished his argument.

Shri S. S. More: Sir, you have ruled it out of order without giving an opportunity to the Chairman who held it in order.

Shri N. C. Chatterjee: It is not fair to him, Sir.

Shri Veeraswamy: It is a disgrace to the country to the party in power and

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to the Ministers that the beggar problem has not yet been solved even after 6 years of assuming power.

Mr. Deputy-Speaker: That even is out of order. The hon. Member must wait until the Budget session.

Order, order. If he has nothing more to say I will ask another hon. Member to speak. Mr. Sarmah.

Shri Sarmah: Having had this first opportunity, really speaking, to speak on this momentous Bill, I thank you for the opportunity that you have given me. I moved an amendment....

Mr. Deputy-Speaker: What is the amendment, please?

Shri Sarmah: No. 424, Sir.

Mr. Deputy-Speaker: He will kindly read it.

Shri Sarmah: Yes, Sir, I will read it.

In page 4, (i) *after* line 16, *insert*:

> "(2) For the purpose of this Act all properties shall be deemed to be governed by Mitakshara system of Hindu law of succession."

Mr. Deputy-Speaker: All properties including properties of Muhammadans and Christians to be governed by the Hindu Mitakshara system of law?

Shri Sarmah: Sir, I would be grateful if you would give me an opportunity to develop the point.

Mr. Deputy-Speaker: I am only putting the question so that it may become brighter.

Shri Sarmah: My amendment relates to fundamentals, Sir. I am not here for the reduction of the level or the raising of it, and least of all, to spite anybody, Sir. Let me make it clear once and for all that I do not seek that people of the Mitakshara system of law should not have the privileges...

Mr. Deputy-Speaker: My suggestion to the hon. Member would be that it will be more appropriate under some other clause than here.

Shri Sarmah: Clause 5 is the charging clause, Sir.

Mr. Deputy-Speaker: Yes; it states how estate duty shall be levied, on what property etc. But clause 7 refers to the Mitakshara system of law. He can change this and give notice and say that it must be transferred to clause 7—Interests ceasing on death.

Shri Sarmah: Sir, clause 5 says:

> "In the case of every person dying after the commencement of this Act, there shall, save as hereinafter expressly provided, be levied and paid upon the principal value ascertained as hereinafter provided of all property, settled or not settled,......"

My amendment reads, 'all property shall be deemed to be governed by Mitakshara system of Hindu law of succession'. It is property which will be charged. The man will be dead. Section 5 is the charging section.

Mr. Deputy-Speaker: The object is that if he is a member of a joint family, the entire co-parcenary property is not charged but only the share of that person in the co-parcenary property. Properties may be deemed to pass under various categories. Then this is not the proper clause. I have no objection to allowing him to do so; nor do I say that this matter ought not to be raised in this Clause What I say is that this is not the proper place for this amendment.

Shri Sarmah: All right, Sir; I bow down to the ruling of the Chair.

Mr. Deputy-Speaker: I will allow him to move it at another place.

Shri S. C. Samanta (Tamluk): In this clause property is property that passes on the death of a person; but, we have systems in our country in which property passes on death as well as when a man does not die. So, on that line

I think we may discuss here about Mitakshara.

Mr. Deputy-Speaker: What is the property that passes? The hon. Member wants to say that except in the case of Dayabhaga system, where the entire property of the deceased passes to the heirs, if there are 10 sons, then only one-eleventh of the property passes on death.

Mr. Deputy-Speaker: Then, we shall deal with the other clauses.

Shri S. C. Samanta: May I move the amendments in clause 7?

Mr. Deputy-Speaker: No objection.

Shri S. S. More: I have already moved some amendments under clause 7.

Shri N. C. Chatterjee: There is an amendment in the name of Mr. Deshmukh, the Finance Minister's to clause 7. The Finance Minister's amendment is No. 467. I think, Sir, if I may say so, with your permission, that Mr. Sarmah's and Mr. More's amendments may come along with that. I have got an amendment to 424 relating to clause 7. Mr. Sarmah has given an amendment to clause 5. I have given an amendment to that amendment which is No. 616.

Mr. Deputy-Speaker: They will all go together. I will only suggest to hon. Members to pass on a chit to me that the amendments concerned may be transposed to clause 7 and treated as amendments of which notice has already been given to clause 7.

Shri S. V. Ramaswamy: Sir, a point of order. I beg to submit that clause 5 as it stands, in so far as it relates to agricultural property, will be unconstitutional, for this reason. There is one item in the Union List—item 87, which says: "Estate duty in respect of property other than agricultural land." Now, Sir, the schedule attached to the Bill...

Mr. Deputy-Speaker: Hon. Member must only state the point.

Shri S. V. Ramaswamy: Yes, Sir. In the schedule attached to the Bill, we find a list of seven States only. Now, I submit that this will offend against Article 15 (1) of the Constitution. Article 15 (1) of the Constitution says.

> "The State shall not discriminate against any citizen on grounds only of religion, race, caste, sex, place of birth or any of them."

The State includes not merely the Centre but also the States. Let me now take the case of two persons, A and B—both citizens of the State. A dies in Bombay having agricultural property. But B dies in Travancore.

Shri V. P. Nayar: No, no: let it not be there.

Mr. Deputy-Speaker: Nobody dies. It is only an example.

Shri S. V. Ramaswamy: Now, A's property will be liable to duty, but B will not be liable to any duty. Is this not a discrimination, on the ground that the place of birth affects the imposition of the duty? The man who dies in Bombay, according to the schedule, is taxed; a tax could be levied on his agricultural land; whereas in Travancore, it is not leviable. So, if B dies in Travancore, his estate is not liable to duty, but A, who dies in Bombay, is liable to be taxed for his agricultural land.

Mr. Deputy-Speaker: If he has land in Travancore?

Shri S. V. Ramaswamy: I am not contending that a man dies in two places. I do not, however, press my amendment No. 371.

Shri Raghuramaiah (Tenali): Sir, I have got another point of order.

Mr. Deputy-Speaker: Let me dispose of the first point of order. There is no point in the point of order that has been raised. The point of order is raised that the inclusion of agricultural lands in clause 5, in so far as they apply only to the States mentioned in the schedule of the Bill, the States which have acceded to, or have agreed to, the imposition of the Central duty on agricultural land,

[**Mr. Deputy-Speaker**]

is opposed to or offends article 15(1) of the Constitution, which states that there shall not be any discrimination against any citizen on grounds only of religion, race, etc. It is also said that the State mentioned in the article refers not only to a State in particular but also the Centre. It is true that the definition applies to the Centre also. But under another provision of the Constitution, notwithstanding the particular duty which is exclusively within the State legislation, if a number of States, for the purpose of uniformity or otherwise, apply to the Centre, the Centre is clothed with the power to pass legislation which is binding on all those States which have agreed or which desire that the Centre should pass that law. Let us assume that a separate law is brought, apart from the inclusion of certain States, in the schedule. It is not denied that, say, some States, Madras State or the Travancore-Cochin State, which are not mentioned in the Schedule, can impose this duty, but Bombay may keep quiet. Can it be said then that the Bombay man or the Travancore man can go to the Supreme Court and say, "my fundamental right is disregarded in that the Bombay gentleman enjoys a privilege and I suffer from discrimination. He does not pay, whereas I am paying in Travancore," and all that? Therefore, it does not mean that it binds only certain States. Some States can adopt, can impose duty and some others may not do so. It is open to the other States to adopt it. What the Centre is doing is that it is doing what the particular State is entitled to do. Nothing more than that. We are merely the agents. If it is open to a State to impose a particular duty, it is equally open to the Centre, on behalf of the State, to impose that duty.

We can go further into the fundamental question as to whether notwithstanding the entry in the List, all the States simultaneously should impose the duty or not at all. I am not prepared to accept this kind of proposition that all the States must impose the same kind of tax or not at all: otherwise that is opposed to the fundamental right that has been conferred on each State under the Constitution. There is no point in the point of order.

Shri S. V. Ramaswamy: But the rights of the individual citizen are there.

Mr. Deputy-Speaker: Individual has no right apart from the State. Now, Mr. Raghuramaiah.

Shri Raghuramaiah: My point of order relates to the imposition of estate duty under sub-clause (2) of clause 5. My point is that it is not in accordance with article 252 of the Constitution and hence it is *ultra vires.*

Mr. Deputy-Speaker: Let me see article 252.

Shri Raghuramaiah: In the Constitution, a difference is made so far as levy of estate duty on agricultural land is concerned, in regard to the form of resolutions to be passed by the State Legislatures. Article 252 provides that cases where Parliament has no powers to legislate if two or more States so desire it could still legislate for them provided the States concerned pass a resolution to that effect. Prior to the enactment of the measure it would have been enough for a State to pass a resolution, that Parliament shall pass legislation in respect of estate duty on agricultural land. That is sufficient to make this Act binding on that State. But in the case of a State hereafter wanting to have this Act applied to agricultural land in its area there must be a resolution adopting this particular enactment. A vague resolution that Parliament may legislate will not be enough in their case. Sub-clause (2) of clause 5, instead of using the language that the State which adopts this particular enactment will be deemed to have been added to the schedule, simply says that any State that passes a resolution that Parliament may legislate shall be deemed to be a State enumerated in the schedule. That will not do. The form of the resolution to be passed by the State agreeing hereafter should be one of *adoption* of this particular enactment —in so many terms—and not a vague, general resolution that "Parliament may legislate".

Mr. Deputy-Speaker: There seems to be some force in the argument that has been put forward. Now, after this Act is passed, it is by way of adoption and not by requesting that the Bill be passed that the Act could be applied to a new State. I think that that portion may be modified suitably. Of course, in all such matters, the Chair does not take the responsibility individually to say that such and such a thing is out of order. I can only make a suggestion with regard to the language of article 252 to the effect that hereafter after the Bill is passed, others have only to adopt it and not ask Parliament once again to pass an Act. That is the language of the Bill. Now a suitable amendment may be brought to avoid this difficulty.

5 P.M.

Shri S. S. More: Sub-clause 2 refers to the resolution. It does not mean resolution "contemplated". It means a resolution "adopted". So the word "resolution" is comprehensive enough to cover both the cases.

Mr. Deputy-Speaker: The hon. Member has ignored the other word "Parliament". The resolution is merely for the purpose of asking the Parliament to pass an Act. Now, a suitable amendment may be moved and the hon. Minister may consider this matter. I am not called upon to rule that this particular matter is out of order. I leave it to the House. If the amendment is not made it is open to the House to adopt the whole clause or a portion of that clause.

Shri S. S. More: My amendment is 475. I propose to add one explanation to sub-clause (1) of Clause 5. The amendment reads:

In page 4, *after* line 23, *insert*—

> "*Explanation*.—The private properties of ex-Rulers of States and their privy purses shall be deemed to be property subject to the levy of estate duty within the meaning of sub-section (1)."

Mr. Deputy-Speaker: Should we include this here under Clause 5? I have no objection. There is no exclusion here.

Shri S. S. More: Just as the explanation to sub-clause (4) of clause 7, I want an explanation here. May I bring to your notice the explanation on page 5 of the Bill relating to clause 7. It reads thus:—

> "*Explanation*.—For the removal of doubts, it is hereby declared that the holder of a Sthanam is neither the holder of an office nor a corporation sole within the meaning of this sub-section."

Mr. Deputy-Speaker: Will it not be better to have it there?

Shri S. S. More: As far as this particular explanation is concerned, sub-clause (1) of Clause 5 says:

> "(1) In the case of every person dying after the commencement of this Act, there shall, save as hereinafter expressly provided, be levied and paid upon the principal value ascertained as hereinafter provided of all property, settled or not settled."

About the word "property" it may be argued by vested interests who have entered into certain agreements with the Government of India that the privy purse of the princes is not "property" within the meaning of the word.

Mr. Deputy-Speaker: How can a man cease to be a man if I do not call him a man? The difficulty is, this explanation is likely to cause a confusion in the scope of clause 5.

Shri S. S. More: Before the matter was referred to the Select Committee, I referred pointedly to the different Articles of the Constitution and some parts of the relevant agreements that the Government of India had entered into. I need not repeat all those agreements.

Mr. Deputy-Speaker: I agree. I am mainly concerned with the place where it can be inserted.

Shri S. S. More: My submission is that I have been entertaining doubts that taking advantage of some of the agreements that it shall be free from taxation or free from income-tax it may be argued by some of the princes that, in the light of those agreements and in the light of the relevant Article which gives them a sort of a guarantee, their privy purses or private properties are not "properties". They may be property for any other purpose but not for the purpose of Estate Duty within the meaning of Clause 5 and, therefore, not subject to the limit. It is quite possible that they raise that sort of point. Therefore, not to give any ground for any such argument I am trying to give that explanation here.

Mr. Deputy-Speaker: Can it not be more appropriately put under Clause 7?

Shri S. S. More: Regarding that I am amenable to reasonable compromise if it is suggested by the other side. But my submission is that some such explanation in the body of this particular Bill is absolutely necessary. We are not following the Constitution. One of the Articles of the Constitution says that Parliament shall take due notice with regard to agreements. This explanation will make it abundantly clear that when we apply our mind for the consideration of this measure we did take notice of the other considerations or the guarantees given under different clauses of the agreement and after taking all those factors into consideration we came to this particular conclusion that the privy purses of the princes are "property" within the meaning of Clause 5. On the previous occasion definite questions were put to the Finance Minister to find out whether he had any intention of making an exception in the case of these princes. He was very categorical in his reply. While we do not contemplate the exclusion of the privy purses or the properties of the princes, if that be the contention of the Government, we want to make it specifically clear by inserting this explanation so that in future there shall be absolutely no ground for these princes to wriggle out of these provisions. That is the only object. I need not take more time of the House.

Shri U. M. Trivedi: There is one mistake in Mr. More's amendment. There is nothing like Ex-Rulers in our Constitution; they are Rulers. It ought to be "Rulers' privy purses".

Shri S. S. More: I admit the discrepancy. I accept the correction by Mr. Trivedi. We will have to put "Ruler" and not "Ex-Ruler". 'Ex' will go. I put it in the ordinary sense; not in the legislative sense.

Shri V. P. Nayar: My amendment is 553. It is slightly different from Mr. More's amendment in that it includes along with "privy purses" the "private properties held outside India also". The amendment actually reads as follows:

In page 4, *after* line 16, *add*:

> "*Explanation.*—For purposes of this section all private properties, including privy purses of the ex-Rulers whether held within India or not, shall be deemed to be subject to the levy of estate duty."

Mr. Deputy-Speaker: May I ask one question? All immovable property of any person dying anywhere in the world is liable to duty so far as the law of the land is concerned. Now, therefore, what is the need for this amendment?

Shri V. P. Nayar: The estate duty will not be made applicable in the case of estates of ex-rulers. You will remember, Sir, that in the Select Committee, we tried to raise this point. In the dissenting minute also we have very clearly stated it. In fact, in the Select Committee Government were requested to give us an idea of the property of ex-rulers proposed to be exempted from this taxation. Sub-clause (2) of clause 32 says:

> "If the Central Government is of opinion that in respect of any class of property or class of persons the circumstances are such that some relief in addition to the reliefs provided in sub-section (1) should be given, it may by notification in the Official Gazette, make any exemption, etc......"

So, we really feel apprehensive that Government might at a future stage exempt the ex-rulers as a class from the operation of the estate duty law.

Our doubts are strengthened, Sir, by certain statements made by Government. On the 22nd of August, during Question Hour, when a specific question was put to the Home Minister, "May I know whether tax-free properties now held by the ex-rulers will be inherited also as tax-free properties?" Dr. Katju replied: "That may be a matter which might come up in connection with the Estate Duty Bill, but generally the individuals receiving the privy purses will also succeed to the tax-free properties." My point is that the ex-rulers have tax-free properties: it was a personal privilege for them. This privilege has been allowed now also. For example, you will find that in the case of the Covenant with the Ruler of Travancore-Cochin it is safeguarded. You know, Sir, that almost in every covenant it has been agreed to by the covenanting States and the Rulers thereof, that they shall furnish a full statement of all properties both movable and immovable. I would like to draw your specific attention to the States Ministry White Paper which at page 291 says:

> "The ruler shall furnish to the Government of India and to the Ministry of States before the 1st day of September 1949 an inventory of all movable property and cash balances held by him as such private property."

In spite of this, in spite of the fact that Government must have full information under the Covenants of all landed property as also movable property held by the ex-ruler they have made a categorical statement, a very very definite statement, that they cannot disclose it. I tried to pursue the matter, I took it up with the Home Ministry and here is a reply which I got to a letter which I sent to Dr. Katju. This adds to our apprehensions. This letter reads:

> "The Government of India's view has been that it is not in the public interest to disclose details of private properties and settlements reached with individual rulers and Rajpramukhs and in pursuance of this policy we have consistently refused to answer questions in Parliament on the subject."

This is a letter written to me on the 11th of August. In the circumstances Dr. Katju's Ministry advises me:

> "You will appreciate it will not be possible for us to give the details of settlements reached with the rulers and Rajpramukhs."

When we put questions in the House, we are not told how much the Rajpramukhs own; when we write we are told Government have consistently refused to answer questions in Parliament. When we ask in the Select Committee, please for God's sake give us a schedule of classes of persons whom you are going to exempt, that also is not given. We are told that the information is not given on the ground that it is against public interest. May I give the specific instance of the ex-Ruler of Travancore-Cochin?

Mr. Deputy-Speaker: We are now dealing with the clause relating to property generally. We need not go into details of the property held by a particular individual. That will be the duty of the Controller when the person dies. If at that stage any property is left out, it is up to the hon. Member to take it up at that stage.

Shri V. P. Nayar: My point is that the cumulative effect of the various statements made by various representatives of Government has given us a fear, a genuine fear, that this Government will not touch this class of persons the class of feudal potentates that is why I had to read out from the letter.

Now, they often take refuge under the very attractive words "public interest". What is the public interest involved? The other day in the Travancore-Cochin Assembly the Minister revealed that His Highness the Rajpramukh has 16,000 acres. You know, Sir, that the average holding in Travancore-Cochin is not even 40 cents or so. But the Rajpramukh holds 16,000 acres of probably the best of the lands too! Calculated at Rs. 2,500 per acre which is the minimum for lands which are useful, it must be worth about two and a half crores. Actually it will be several times more. We want to know how his estate will be liable to estate duty. We want to know whether hoarded wealth will escape the estate duty. That is the point which we want to get clarified by this explanation.

Besides that, there is also another circumstance which strongly suggests that the property of this class of persons is not taken into consideration. You know, Sir, that the hon. the Finance Minister estimates the proceeds from this tax at about Rs. 15 crores. I put it to you this way: if he had in mind this class of persons......

Shri C. D. Deshmukh: I gave no estimate.

Shri V. P. Nayar: You did make a statement that you expect approximately Rs. 15 crores.

Shri C. D. Deshmukh: No, Sir; let the hon. Member show me the records that bear it out.

Shri V. P. Nayar: I do not mean to say he gave it in his reply to the debate in the House. I do remember —and I suppose my memory does not fail me at this stage—that he did mention it in the Select Committee. Anyhow, my point is this. You know this point has already been made. The Nizam of Hyderabad, for example, is credited to have hoarded about five hundred crores worth of properties in gold, precious stones, etc.

Shri N. C. Chatterjee: He will survive all of us!

Shri V. P. Nayar: He is sixty-five. Let us give some allowance to his age, let us assume that he lives till his 75th or 80th year. His death alone—provided he does not bequeath his property and circumvent—should yield two hundred or three hundred crores, calculated even at this small rate. That alone should raise the average yield from Rs. 15 crores to Rs. 30 crores. That is the wealth of our feudal potentates. This point will have relevance only when there is a consequential amendment also made as to gifts.

Shri K. K. Basu: The clause under discussion now relates to property which is chargeable. I feel that in view of the specific provision in Articles 362 and 363 of our Constitution, we have got to put in some explanation to this word "property". As you know, Sir, property carries certain qualifications with it. A person who holds the property has certain rights over it. Article 362 of the Constitution says that so far as the princes and rulers are concerned, if there are any personal rights or privileges which they enjoyed before they acceded to the Indian Union that will be respected and will be honoured. If it had been the right and privilege of a particular ruler that he could hold certain property tax-free, that means so far as that particular property is concerned, even if it goes to the successor, it will be free of tax. Article 362 as it stands today will debar the Union Government from putting any tax on that particular property. The Controller will be debarred from placing his hands on the property held by the rulers if it comes under Article 362. Again under Article 363 the Supreme Court is prevented from enquiring into the disputes, if there are any, which arise over these properties. We feel that as abundant caution we should incorporate this explanation to prevent all these possibilities. The addition of an explanation to a later clause, as suggested by you, will not serve the purpose.

I feel that we are in a peculiar position with regard to this type of property and without amending the particular Articles of the Constitution, the Union Government may not be competent to tax these properties.

Mr. Deputy-Speaker: It is not apart from clause (1) of article 291.

Shri S. S. More: Even article 291 is not so clearly worded as it ought to be. I would refer you to the expression "free of tax". Article 291(1) reads:

> "Where under any covenant or agreement entered into by the Ruler of any Indian State before the commencement of this Constitution, the payment of any sums, *free of tax*, has been guaranteed or assured by the Government of the Dominion of India......etc."

Mr. Deputy-Speaker: Therefore from year to year whatever amount is chargeable to the Consolidated Fund of India or the State, is free of income-tax.

Shri S. S. More: That is our first impression. But sub-clause (b) of clause (1) of article 291 says:

> "The sums so paid to any Ruler shall be exempt from all taxes on income."

The previous provision which I read "where.. the payment of any sums, free of tax, has been guaranteed" does not refer to Income-tax. It is a very wide definition. And I would refer you here to the definition of "taxation" under article 366. The expression "free of tax" will have to be read with clause (28) of article 366 which says:

> '"Taxation" includes the imposition of any tax or impost, whether general or local or special, and "tax" shall be construed accordingly.'

My submission is that the expression "free of tax" occurring in article 291, though subsequently it is particularised as free of income-tax, is likely to be extended to the advantage of the ex-Rulers if they try to read it with the definition given in clause (28) of article 366. They will say they are not subject to Estate Duty or to any other provincial law. To remove the doubt it is absolutely necessary that we ought to say that in the light of the Constitution we have paid due regard to the different provisions of the Constitution, particularly article 291, and after applying our mind to all the relevant provisions this Parliament is laying it down here specifically and categorically that the privy purses and private properties of the ex-Rulers shall be subject to this tax.

Shri Achuthan (Cranganur): Sir, there are Members on the back side.

Mr. Deputy-Speaker: I know. But has it not been sufficiently discussed?

Shri Achuthan: It is a very important matter.

Mr. Deputy-Speaker: We are stuck up in this. There are other important clauses.

Shri Achuthan: But we have more time, morning and evening, and nine days.

Shri V. P. Nayar: I would like to bring to the notice of the Finance Minister another difficulty.

Mr. Deputy-Speaker: He has already spoken!

Shri V. P. Nayar: I would invite his attention to article XIII in the Covenant which says:

> "The Ruler of each Covenanting State, as also the members of his family, shall be entitled to all the privileges, dignities and titles enjoyed by them, whether within or outside the territories of the State, immediately before the 15th August 1947."

This is from the Covenant entered into by the ex-Rulers. According to me the Travancore Maharaja owned the lands only as a sort of trustee of the Sri Padmanabhaswami temple. And he was never asked to pay any tax. But he enjoyed all the property as if it was really his own, as if his predecessors earned those with the sweat of their brow.

Mr. Deputy-Speaker: The Finance Minister.

Shri C. D. Deshmukh: I will reply to all the amendments that have been moved. There was one other speaker who raised a general point which had no special reference to any of the amendments. He asked how the duty was to be apportioned. The answer is contained in paragraph 3 of the Statement of Objects and Reasons. He also asked what sanctions we could enforce against States which have refrained from passing this Resolution. Now, that raises the general issue of the level of taxation which each State permits itself to impose, and that question comes before us almost every day in dealing with applications for assistance received from the States. There is not one single principle that one can adopt in these circumstances. One has to take into account all the factors in the situation. I think the hon. Member was trying to oversimplify the matter when he seemed to suggest that in the case of States which have not formed part of this partnership, so to speak, to impose the Estate Duty, almost a proportionate reduction should be made in any kind of assistance that may be advanced to them. That is a very unpractical kind of proposition.

Shri K. K. Basu: It is a hint.

Shri C. D. Deshmukh: It is not a hint, Sir. It only indicates the complexity of the factors that have to be taken into consideration. It may be that on humane and other considerations one has to advance assistance to a certain State even though it may have failed or it may not have thought it worth while to be included in the schedule at the present moment. I also seem to remember in the case of some States, at any rate I think in the case of the Travancore-Cochin State, at one time they said they would not wish to come in because they intended to impose a tax which might have a higher rate. There may be all kinds of motives for not passing this Resolution at the present moment.

Then, the constitutional point was raised by the hon. Member behind me, Shri Raghuramaiah. There is something in what he said. He has, I think, caught the draftsman.

. **Mr. Deputy-Speaker:** He was himself a Draftsman.

Shri C. D. Deshmukh: It is quite right that for the State that comes in now it is not a question of asking us to legislate again. Obviously the Act is there. All that is required is that this Act should be adopted by them by means of a Resolution. Therefore, if you would permit me, Sir, to make this drafting change, I would suggest that we may substitute the words "adopting this Act under clause (1) of article 252 of the Constitution" in place of the words "that Parliament may legislate".

Mr. Deputy-Speaker: Very well.

Shri C. D. Deshmukh: I beg to move:

In page 5, line 20, *for* "that Parliament may legislate" *substitute* "adopting this Act under clause (1) of article 252 of the Constitution".

I think that will cure the defect that was pointed out by the hon. Member.

Now I come to the main issue of the liability of the Princes. I have already said that we have not tried to discriminate either in favour of them or against them. Now, the object of some of these amendments is to ensure that some of their property or their privy purses do come in and therefore become liable to the duty. To the extent to which that is possible under the Constitution, there is nothing in the present Bill to prevent that from happening. If, on the other hand, the effect of trying to interpret some of the relevant articles in the Constitution is that we cannot impose the Estate duty, then, we cannot by a form of words added here in our Act, change the effect of the constitutional provisions. It seems to me to be a dangerous procedure to try to anticipate a certain form of interpretation of this particular article. There are articles 16, 366,....

Mr. Deputy-Speaker: 291.

Shri C. D. Deshmukh: ....291, 366 and the definition of "Ruler". All these matters have to be very carefully examined: does property pass, for instance, when a Ruler dies, does his property and privy purse pass, etc. Whatever we may say here, the effect of the provisions of the Constitution might well be that the privy purse does not pass, and therefore it is not the subject of a levy like the Estate duty. The Ruler has to be recognised and although in normal practice it may be that his immediate successor, whoever it may be, may be recognised, as a Ruler, it is not necessarily so. The discretion of the President intervenes between the death of one Ruler and the recognition of the next Ruler as Ruler. Secondly, also, the privy purse does not pass as property. For instance, if in one case the privy purse is 10 lakhs, it is not axiomatic that when his successor succeeds him, on his demise, the privy purse as 10 lakhs will pass to him. There is again an act of discretion on the part of the President. It may be that he will say, in this case the privy purse may be reduced. Indeed, hon. Members themselves have made suggestions from time to time that the privy purse ought to be reduced. I do not know what the policy of the Government will be in the future. But, what I am trying to point out is that it is not a kind of property that we contemplate for the purposes of this legislation. Therefore I think it is quite clear....

Shri S. S. More: Does that mean that that kind of property is outside the ambit of this legislation?

Mr. Deputy-Speaker: What he means to say is that it may be personal. If it is a question of accumulation, they share a different fate and that is another matter. So far as the privy purse is concerned, it may be interpreted that it is a personal one, because the Ruler has to be recognised.

Shri S. S. More: That may be the interpretation on the part of the Rulers. As far as the Government is concerned, I think we are perfectly entitled to ask the Government what is its view of the matter, as it is legislating. While defining property of different sorts, it is for the Government to come out with a categorical interpretation as far as it is concerned. It may not be accepted; but what is their view?

Shri C. D. Deshmukh: I do not really see what necessity there is here and now to give an interpretation of the Constitution. I am only indicating the possibilities. The matter will have to be argued in a court of law. It may be that supposing some of our officers, Controllers, take a view that the privy purse is subject to the duty, the Ruler concerned may go to a court of law, may go to the Supreme Court and there he may try to establish his right. I do not see why we should here, on behalf of the Government, give expression to all the arguments that we may use for or against. I think that in a matter which might be the subject of a litigation in future, it is not right for us to give an interpretation in advance.

Shri S. S. More: May I interrupt again....

Mr. Deputy-Speaker: He does not yield.

Shri S. S. More: With your permission, Sir,....

Mr. Deputy-Speaker: No permission of mine.

Shri S. S. More: I rise on a point of order. The Finance Minister said that this point will have to be agitated in a court and that he cannot anticipate future litigation. But, he is saying something which is against the Constitution. Article 363 says:

> "Notwithstanding anything in this Constitution but subject to the provisions of article 143, neither the Supreme Court nor any other court shall have jurisdiction in any dispute arising out of any provision of a treaty, agreement, covenant, engagement, *sanad* or other similar instrument which was entered into or executed before the commencement of this Constitution by any Ruler of an Indian State and to which the Government of the Dominion of India or any of its predecessor Governments was a party....."

I need not read the further portion. As a matter of fact, Government is one party to the agreement and the Ruler is the other party to the agreement. The interpretation of this particular agreement will have to be given by one of the parties. The Supreme Court or other courts are out of the picture. I am rising on the point of order whether the Finance Minister's statement that the matter will have to be decided by the courts is a valid statement.

Shri C. D. Deshmukh: Even the applicability of article 363 may well be a subject that could be brought before the Supreme Court. That is, whether it is applicable, whether it is a dispute arising out of the agreement or whether it is a dispute arising out of something else, may be a point of law that may be argued before a court. Any way, I gave a view that the Princes would have some remedies. What I am concerned with is that we should not try to extract something which we regard as a sort of an inferred meaning from the articles of the Constitution and try to incorporate them in our legislation. The other day I said that we are not going to make any exemption in favour of the Princes and that position we still maintain. If they ask me my personal opinion, as far as I can see, I think the privy purse will not be subject. That is my personal view.

Shri S. S. More: Will not be subject to the levy of the duty?

Shri C. D. Deshmukh: But, the case may well be different in regard to other property.

Shri S. S. More: Private property?

Shri C. D. Deshmukh: In regard to other properties also, there are certain properties which, under the Covenants, the Princes were not allowed to alienate. Now, the question arises whether after the Constitution, that restriction on transfer or alienability continues or not. This will be a question of law and fact which would have to be decided at the proper place at the proper time. So far as purely private property is concerned, certainly there is nothing to my knowledge either in the Constitution or in the Bill which would save it from the levy of Estate duty. Therefore, this question is not such a simple issue. That is why I am reluctant to agree to any amendment which binds you in advance to a particular sort of interpretation. There is no desire to save the Princes from the consequences of any legislation that may be passed by the House. But, we cannot try to anticipate an interpretation by the courts or any other authority of certain safeguarding provisions in the Constitution. Therefore, I am not able to accept any of these amendments.

Shri V. P. Nayar *rose*—

Mr. Deputy-Speaker: How many times have I to give an opportunity to the hon. Member?

Shri V. P. Nayar: I want to ask....

Mr. Deputy-Speaker: This can be discussed at length. The hon. Member has had his own say.

I will now put the Government amendments to the vote of the House.

The question is:

In page 4, line 14, *for* "the Schedule" *substitute* "the First Schedule".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

In page 4, line 18, *for* "the Schedule" *substitute* "the First Schedule".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

In page 4, line 22, *for* "the Schedule" *substitute* "the First Schedule".

The motion was adopted.

Mr. Deputy-Speaker: Amendment No. 373: I have ruled it out of order. Then amendments 475 and 553. I shall place both of them to the vote of the House. There is a verbal amendment in amendment No. 475: in the place of 'ex-Rulers' it will be 'Rulers'.

The question is:

In page 4, *after* line 23, *insert*:

"*Explanation.*—The private properties of ex-Rulers of States and their privy purses shall be deemed to be property subject to the levy of estate duty within the meaning of sub-section (1)."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

In page 4, *after* line 16, *add*:

"*Explanation.*—For purposes of this section all private properties, including privy purses of the ex-Rulers whether held within India or not, shall be deemed to be subject to the levy of estate duty."

The motion was negatived.

Shri Gadgil: There is some verbal amendment of the hon. Finance Minister.

Shri B. P. Sinha: I want to speak on my amendment No. 306.

Mr. Deputy-Speaker: Has it been moved?

Shri B. P. Sinha: Yes.

Mr. Deputy-Speaker: Let me put the other amendments formally.

Shri Mulchand Dube: I have an amendment, No. 552.

Mr. Deputy-Speaker: What has the hon. Member been doing all along?

Shri Mulchand Dube: The House has been discussing the other amendments.

Mr. Deputy-Speaker: I am afraid—at any rate, let hon. Members note this. As soon as a particular clause is taken up, all hon. Members will kindly say what are all the amendments that they want to move. So that, the House may have a comprehensive view of all the matters which have to be discussed on the floor of the House. Thereafter, discussion will proceed. I will put amendment after amendment to the vote of the House thereafter. Now, if any amendments have not been moved, I shall allow them as an exception. Hereafter that will be the rule that is followed. Otherwise, we will have to go on with a single Clause and a number of amendments thereon the whole day, and even the whole session.

Shri B. P. Sinha *rose*—

Mr. Deputy-Speaker: Order please. I am coming.

The question is:

In page 5, line 20, *for* "that Parliament may legislate" *substitute* "adopting this Act under Clause (1) of article 252 of the Constitution."

The motion was adopted.

Mr. Deputy-Speaker: Now, both these hon. Members.

Shri Mulchand Dube: My amendment reads:

In page 4, line 15, *after* "Act" *insert* "on which the rights of the zamindars or intermediaries have not been abolished."

The effect of the amendment is that agricultural land in such States which have abolished Zamindari will be made exempt from the payment of Estate duty.

Mr. Deputy-Speaker: I have heard the hon. Member. It is out of order. Hon. Member himself is a lawyer. Now, as hon. Members know, Estate duty on agricultural land is in the State List, entry No. 48. Exemption is purely within their jurisdiction—exempting a particular portion of land or not exempting. We are only trying to levy, as their agents in the Parliament. We have no right to give these other exemptions for agricultural land in that area. Let us leave it then.

श्री बी० पी० सिंह (मुंगेर सदर व जमुई) : उपाध्यक्ष महोदय, मैं अपने संशोधन नम्बर ३०६ का समर्थन करता हूं । इस समय इस बिल का जो उद्देश्य है वह पार्लियामेंट में कबूल कर लिया गया है, और इस का उद्देश्य आर्थिक समता बतलाया जाता है, लेकिन मैं कहता हूं कि इस आर्थिक समता में विषमता हो जायेगी । जिस समय इस बिल के समर्थन में श्रीमन्नारायण अग्रवाल बोल रहे थे उस समय उन्होंने कहा था कि चूंकि किसानों पर, ऐग्रिकल्चरिस्ट्स पर बहुत तरह के टैक्स हैं, इस लिये यदि एस्टेट ड्यूटी बिल न लाया जायेगा तो दूसरे क्लास के लोग बच जायेंगे । लेकिन यह जो बिल है उस में किसानों की ऐग्रीकल्चरल लैंड भी नहीं छोड़ी जा रही है । १९४६ और १९४८ में जब डेथ ड्यूटी बिल का ढांचा तैयार हुआ था उस समय ऐग्रीकल्चरल लैंड का समावेश उस में नहीं किया गया था । इस सम्बन्ध में अर्थ मंत्री महोदय से बातें हुई थीं और उन्होंने आश्वासन दिया था कि इस बिल के सम्बन्ध में जहां तक ऐग्रिकल्चरल लैंड का सम्बन्ध है उस पर वह गम्भीरतापूर्वक विचार करेंगे। इस लिये मेरा उन से यह नम्र निवेदन है कि वह इस पर विचार करें ।

इस के साथ ही साथ मेरी यह दलील है कि किसान, पूंजीपति और सरकारी कर्मचारी, इन तीनों में समता लाने में यह बिल किसानों की रीढ़ तोड़ देगा । आज देश में बहुत भ्रम फैला हुआ है । लोग जमींदार और किसान का अन्तर नहीं समझते हैं । लोग समझते हैं कि जमींदार क्लास की जमींदारी खत्म होने पर वह क्लास खत्म हो गई और वह सभी किसान हैं । आज तीन तरह के लोग हैं जिन के पास जमीन है । बड़े किसान, छोटे किसान और बटाईदार जिन को आप 'टेनेन्ट्स एट विल' कहते हैं । इन में से आप देखेंगे कि इन्टर्मीडिअरी तो खत्म हो जाते हैं और जमींदारी खत्म होने के साथ ही अब छोटे छोटे किसान बच जाते हैं, जब तक आप की लैंड पालिसी अर्थात् भूमि नीति निर्धारित नहीं हो जाती तब तक ऐग्रीकल्चरल लैंड पर टैक्स लगाना उन के ऊपर बहुत भार स्वरूप होगा । मैं समझ नहीं पाता हूं कि क्या समझूं । कभी कभी कहा जाता है कि फैमिली होल्डिंग

पांच एकड़ की होगी, इसलिये जो लोग सीलिंग जमीन रख सकेंगे वह फैमिली होल्डिंग की तीन गुणाती रख सकेंगे । उस का क्या तरीका होगा यह आप समझायें । जो सरकारी कर्मचारी हैं, जो पूंजीपति हैं, और जो किसान हैं, जिन्हें आप समान करना चाहते हैं, उन की आगे चल कर क्या अवस्था होगी, जब कि आप फैमिली होल्डिंग की तीन गुणा सीलिंग मुकर्रर करने जा रहे हैं । मेरा यह कहना है कि जब यहां बृटिश राज्य था तब किसानों की जमीन पर और उन की प्रोड्यूस पर कोई भी टैक्स नहीं था, आज जब से स्वराज्य हमारे देश में हुआ है तब से ऐग्रीकल्चरल टैक्स के रूप में किसानों को भी टैक्स देना पड़ता है । यदि आप किसानों की जमीन को एस्टेट ड्यूटी बिल से बरी नहीं करेंगे तो किसानों की, जो कि देश की बैंक बोन हैं, रीढ़ हैं, उन की कमर टूट जायेगी और आप आगे नहीं बढ़ सकेंगे । आज हम पैसा प्राप्त करना चाहते हैं, सरकार को पैसे की बहुत जरूरत है इस को हम महसूस करते हैं लेकिन साथ ही साथ आप को यह सोचना चाहिये कि मासेज का, हमारी जनता का विश्वास आप को प्राप्त होना चाहिये । उन को इस का विश्वास होना चाहिये कि जो पैसा आज जनता से लेते हैं वह बरबाद नहीं होता, बल्कि ठीक ठीक जनता के कामों में उपयोग किया जाता है । अभी भूमि नीति तय नहीं की गई है । पार्लियामेंट को बराबर अधिकार है और वह कभी भी इस बिल में परिवर्तन कर सकती है । इसलिये मेरी यह अर्ज है कि जहां ऐग्रीकल्चरल लैंड का सवाल है उस को इस बिल से बरी कर दें । बाद में जब आवश्यकता समझी जाय, जब सरकार की भूमि सम्बन्धी नीति निश्चित हो जाय उस समय यदि हम एग्रीकल्चरल लैंड का सवाल लावें तो मैं समझता हूं कि वह बांछनीय होगा और देश के हित में होगा । अगर आप अभी ऐग्रीकल्चरल लैंड पर टैक्स लगाते तो उस का प्रभाव प्रोडक्शन पर पड़ेगा । प्रोडक्शन आगे नहीं बढ़ सकेगा और आज जो मुख्य समस्या आप के सामने है वह गौण समस्या हो जायेगी । आप बराबर जमीन बांटने की बात सोचते हैं । आप अभी नहीं सोचते हैं कि कितनी फैमिली होल्डिंग रक्खेंगे, और कितनी क्या रक्खेंगे । इसलिये मेरा अर्थ मंत्री महोदय से निवेदन है कि जब तक वह भूमि की नीति निश्चित नहीं करते हैं तब तक ऐग्रीकल्चरल लैंड को इस बिल में से निकाल दें ।

क्या कारण था कि जब १९४६ में डेथ ड्यूटी बिल का ढांचा तैयार हुआ था, जब १९४८ में उस का ढांचा तैयार हुआ था उस में ऐग्रिकल्चरल लैंड को बरी रक्खा गया था । आज आप कोई भी साधन नहीं छोड़ना चाहते हैं जहां से पैसा आ सकता है । मैं कहता हूं कि इस की आवश्यकता नहीं है । इस बात को आप गम्भीरतापूर्वक सोच सकते हैं और भूमि नीति को निर्धारित करने के बाद इस को लागू कर सकते हैं ।

मेरे इस सम्बन्ध में तीन निवेदन हैं । पहला यह कि ऐग्रिकल्चरल लैंड अभी छोड़ दी जाय, जब भूमि सम्बन्धी नीति निर्धारित हो जाय तब आप उस पर विचार करने का समय आयेगा । दूसरा निवेदन यह है कि जब कि पिछले इतने सालों से ऐग्रिकल्चरल लैंड को छोड़े हुए हैं, सन् १९४६ में छोड़ा, सन् १९४८ में छोड़ा तो आगे के लिये भी छोड़ रक्खा जाय । तीसरा मेरा निवेदन यह है कि जब तक भूमि सम्बन्धी नीति स्थिर नहीं हो जाती तब तक जिस जमीन का मूल्य पच्चीस हजार रुपया तक हो उस को आप टैक्स से बरी रक्खें और जिस स्टेट में सीलिंग फिक्स हो गई है उस के मुताबिक आप जमीन पर कोई कर न लगावें ।

[श्री बी० पी० सिंह]

इसलिये मेरा यह निवेदन है कि आज हम कोई काम जल्दबाजी में न करें। पहली सरकार की बराबर यह नीति रही कि ऐग्रीकल्चरल प्रोड्यूस पर कोई टैक्स नहीं रहा और इसके पहले जो कानून भारत सरकार ने बनाया था उस में इसका समावेश नहीं था। प्राविंसेज में ऐग्रीकल्चरल प्रोड्यूस पर ऐग्रीकल्चरल इनकम टैक्स लगता है और अगर आप यह टैक्स भी लगावेंगे तो किसानों की रीढ़ ही टूट जायगी। आप लोग कहते हैं कि टिलर्स आफ साइल के पास जमीन रहनी चाहिए। क्या आप उस का मतलब यह समझते हैं कि जो जोतता है वही किसान हो सकता है दूसरा किसान नहीं हो सकता है······

Shri R. N. Shah (Chhindwara): On a point of order, Sir. The hon. Member is irrelevant, because he is speaking about agricultural land.

Mr. Deputy-Speaker: Agricultural land is included in clause 5. The hon. Member wants it to be excluded.

Shri R. N. Shah: You have just ruled out that proposal on the ground that it is a State subject. Now you are allowing the hon. Member again to speak on that subject.

Mr. Deputy-Speaker: The point is this. Agricultural land is included in the present Bill. The hon. Member wants that it should be excluded up to a certain limit. As for Mr. Dube, he wanted that only those lands on which the rights of the zamindars or intermediaries have not been abolished should be included. In this amendment, the hon. Member Mr. B. P. Sinha wants that agricultural land should be included only after a certain limit.

श्री बी० पी० सिंह: मेरा मानीय मंत्री जी से नम्रतापूर्वक निवेदन है कि इस बात के सिलसले में उन्हों ने आश्वासन दिया था कि इस सम्बन्ध में गम्भीरता पूर्वक विचार करेगी। सलिए मेरा उनसे नम्र निवेदन हैं कि वह इस पर गम्भीरतापूर्वक विचार करें। चाहे वह ऐग्रीकल्चरल लैंड को छोड दें और जब समय आवे तब उस पर कर लगावें, और नहीं तो जो हमारा छोटा सा अमेंन्डमेंट है उसको स्वीकार करने की कृपा करें।

Shri S. S. More: Is it not out of order? Under Article 252, the States are to pass a resolution enabling the Centre to pass a legislation in Parliament. When they have passed a resolution to the effect that agricultural land should be made subject to the levy of estate duty, is it competent for us to say that in spite of their resolutions, we can exclude agricultural land? This is a matter for you to decide, Sir.

Mr. Deputy-Speaker: The point is whether we are bound to pass legislation here, if some States ask us to pass some legislation. Now this legislation is being passed on behalf of the States. Some States have passed resolutions. It is open to us to say, it is none of our concern, we are not going to pass this legislation, and we shall use our discretion in the matter, and the States may do it themselves, instead of our doing it here. Whenever any law is passed here, it is open to the Parliament to accept the resolutions and pass the law or not to pass the law; notwithstanding the fact that other States may ask us to do a particular thing, and have passed resolutions to that effect, we are not bound to do so, for the discretion is in our hands. My feeling therefore is, notwithstanding the fact that any resolution has been passed in any particular State, it is a matter for the consideration of this House, whether it will accept that resolution or will say, it is your own business, and so you pass the legislation.

Shri C. D. Deshmukh: That is right.

Shri Raghavachari: The States have passed resolutions requesting Parliament to pass legislation in regard to

levy of estate duty on agricultural property. It is not for us to exempt agricultural property from the tax, because the States want us to pass a measure providing for a duty on agricultural property.

Mr. Deputy-Speaker: That is a different matter. That is exactly what I said. Mr. Dube contested it. The same thing has happened here also. We are passing a legislation here because the States have asked us to pass such a legislation. It is their right to exempt, and we would be acting in our discretion, if we against their decision say that there must be no taxation on agricultural land.

It is a matter for the House to consider. I shall leave it to the House. Either it may say, I will not pass this Bill, or it may say, I shall include agricultural land or not. Then there is the question of details, whether a particular kind of agricultural land should be included or not; there also, we may say, we are going to make a deviation, and say that such and such a kind of agricultural land will be included or not, or that we are not going beyond the terms of an agency which is imposed upon us, meticulously into a matter which is really in the State List. One view is that we ought not to go into the details, and that we should either accept their resolution or not accept it, for that is all that the House can do here. Under that impression, I said that Mr. Dube's amendment was not proper. That is my view even with regard to this amendment. But anyhow we have come to the fag end of this debate. I will put it to the House. Let us hear the hon. Finance Minister.

Shri C. D. Deshmukh: So far as Mr. Dube's amendment is concerned, it seems to me that it is really out of order. What he says is that for the purposes of this Bill, agricultural land should be only that land where zamindari or intermediary rights still exist, which means that in States like Bombay and Madras, where there is no zamindari tenure, there shall be no estate duty on agricultural land. That surely could not be constitutional. We have been asked by the Bombay and Madras Governments to pass legislation for levying an estate duty on agricultural land.

As regards the other amendment, it is possible to say that had the Bombay Government been passing a legislation of this kind, they might very well have confined themselves only to agricultural land and might even have said that the first Rs. 25,000 worth of agricultural land may not be taxed. But here we are having a composite legislation. Therefore I would prefer to deal with this on its merits, and for the purposes of our legislation, except in the matter of rates to which we shall presently come......

Mr. Deputy-Speaker: Even if it occurs in the Schedule, it is open to say so much of agricultural land is not liable to be taxed.

Shri C. D. Deshmukh: Therefore I think the proper place for discussing any such concession is in relation to the later clauses, and we should not try to include anything here under the general levying clause, namely clause 5. Apart from that, even on the merits, if I could anticipate the discussion later, I might say that since we are seeking to impose a limit of Rs. 75,000 on property—and this includes agricultural property, house property (there is also this question of exempting a house), jewellery and so on—which question will be decided at a later stage, we might at that stage decide whether whatever exemption limit we adopt should be an all-purposes limit or whether any special concessions are required for any special kind of property. In this place, I think we should not accept this amendment at all.

Mr. Deputy-Speaker: Does the hon. Member want to press his amendment now or does he want to take his chance later on? My fear is that when once it is disposed of and negatived at this stage, the same matter cannot be agitated later on at the right time.

Shri B. P. Sinha: I withdraw the amendment.

Mr. Deputy-Speaker: Has the hon. Member the leave of the House to withdraw the amendment?

The amendment was, by leave, withdrawn.

Shri B. P. Sinha: With your permission, may I move another amendment later on?

Mr. Deputy-Speaker: At the proper place. (*Interruptions*). There is no question of reserving any right.

Now the same thing with regard to Mr. Dube's amendment also.

Has the hon. Member, Mr. Dube, leave of the House to withdraw his amendment?

Amendment was, by leave, withdrawn.

Mr. Deputy-Speaker: The question is:

"That Clause 5, as amended, stand part of the Bill."

The motion was adopted.

Clause 5, *as amended, was added to the Bill.*

Clause 6.—(*Property within disposing capacity*)

Shri U. M. Trivedi: I beg to move:

In page 4, *after* line 27, *add:*

"Provided that such competency shall not be presumed in the case of a Hindu Joint Mitakshara family, if the intention to separate had not been expressed by the deceased before his death."

Mr. Deputy-Speaker: Amendment moved:

In page 4, *after* line 27, *add:*

"Provided that such competency shall not be presumed in the case of a Hindu Joint Mitakshara family, if the intention to separate had not been expressed by the deceased before his death."

6 P.M.

Shri U. M. Trivedi: The clause, as it stands, appears to be a very innocuous proposition:

"Property which the deceased was at the time of his death competent to dispose of shall be deemed to pass on his death."

I seek to amend this by suggesting:

"Provided that such competency shall not be presumed in the case of a Hindu Joint Mitakshara family, if the intention to separate had not been expressed by the deceased before his death."

Now this clause, as it stands, is going to work hardship so far as the members of the Joint Hindu Family are concerned. It will be easily seen that a boy of 18 or 19 or 20 belonging to any other denomination than that of the Mitakshara family will have no property whatsoever; that will be ordinarily what we can presume in the case of a Christian, or in the case of a Muslim or in the case of a boy of the Dayabhaga family. In the case of the Mitakshara family, what will happen is as soon as he becomes 18, because he has got the right to dispose of the property, therefore under this clause we are going to tax him, although according to the fundamentals of Hindu law, he cannot point to any property as his own and he is not going to enjoy that property.

Mr. Deputy-Speaker: I do not want to interrupt the hon. Member. There is a specific provision in the clause virtually negativing this. Can he not refer to that when we come to clause 7? Then if he can omit......

Shri U. M. Trivedi: I do not think, Sir, that will be possible without amending clause 6.

Mr. Deputy-Speaker: All the clauses must be read together. Is it not possible for the House to say in clause 7 and later clauses, that notwithstanding this, it shall not include property which a member of the Joint Hindu Family, who died, possessed?

Shri R. K. Chaudhury (Gauhati): I have a little difficulty, Sir.

Mr. Deputy-Speaker: The Joint Family will be discussed at length later. This will be a piecemeal reference in one portion. Therefore, that emphasis might not be laid upon this—in either the one or the other.

Shri U. M. Trivedi: My amendment relates to a principle. If the principle is accepted, the other things will follow and verbal alterations will have to be made in clause 7 also. So my suggestion and submission—rather my prayer—to the Finance Minister was this, that in the case of a Joint Hindu Family governed by the Mitakshara school, a boy who attains the age of 18 and dies will have his property automatically assessed and taxed, although he has attained the age at which he can be supposed to have the power of disposing of the property which he does not dispose of, being a member of the Joint Hindu Family. And the other thing that puts a sort of brake upon his ordinary desire to dispose of the property is this: we have already suggested in the clauses that are now following that in disposing of a property by way of a gift, if it has been made within two years preceding death, that will not be considered of any value. In the other case, so far as a Hindu boy is concerned, whom we are going to tax, at the age of 18 that boy will not be allowed to make any disposal of his property. We are putting him at a sort of discount because he belongs to a particular religion. If he does not belong to that particular religion, if he is not governed by that particular personal law, he has no property to look after. The boy never looks after it; even in the joint family the boy does not look after anybody.

Mr. Deputy-Speaker: There seems to be an exemption in the case of a boy dying before 18.

Shri U. M. Trivedi: Up to 18 there is exemption. That is all. My suggestion is this, that this exemption must be at least given to him and an opportunity made available to dispose of his property by way of gift up to the age of 21. So even if he has attained the age of 21, if two years before he has made any disposal......

Mr. Deputy-Speaker: That is not his amendment.

Shri U. M. Trivedi: That amendment will come later on. It cannot be incorporated in clause 6. Here I am only challenging the competency....

Shri K. K. Basu: Ground for the next amendment.

Shri U. M. Trivedi: That amendment will follow if this principle is accepted. In all the other cases, he will have no property. The only person who is going to be affected is the member of the Joint Hindu Family at the age of 18. In all the other cases, the clause as it stands, is all right and proper—"Property which the deceased was at the time of his death competent to dispose of shall be deemed to pass on his death". He is competent to dispose of the property at the age of 18. But this is merely a fiction. By not exercising his right to dispose of the property or indicating his desire to separate, he has no volition and he, never having expressed that volition, cannot dispose of the property. If that position is once accepted, then we may say that if he has expressed a desire to separate, certainly we can tax him. His estate must pay the tax. In this particular instance, if he has not expressed any volition of separating and if he is not going to separate, then you want to approach him. Thereby you are working an injustice, a sort of inequality, which is opposed to the fundamental principles of law and of our Constitution. And the further thing that happens is this. If he has not expressed it, then when he reaches the age of 21 when he can be said to be competent enough to dispose of his property, by another clause we say that only if he has disposed of his property before two years immediately preceding his death, it will be considered of some value; otherwise it will

[Shri U. M. Trivedi]

have no value, and he will be further liable to taxation. Therefore, you deprive a particular citizen of India of his right of disposing of property which in all other cases you are going to accept. I have therefore suggested this amendment, that if he has not expressed a desire to separate, then he should not be taxed.

Shri R. K. Chaudhury: As I read clause 6, I find, Sir:

> "Property which the deceased was at the time of his death competent to dispose of shall be deemed to pass on his death."

Now I am thinking of the Hindu widows who are not ordinarily competent to dispose of the estate. It is only under certain conditions of legal necessity that she can transfer the interest of the property of her husband which she inherits. So under this clause, no property will pass to any of the reversioners because the widow was not competent to dispose of that property, and she must have at the time of her inheritance paid estate duty in respect of the property of her husband.

Mr. Deputy-Speaker: That is covered by section 7(1). This is not exhaustive. It is in subsequent clauses also.

Shri R. K. Chaudhury: Then it should say: 'Subject to that clause'.

Shri A. M. Thomas: It is under the heading 'Property which is deemed to pass' so that all the clauses coming under that heading will be taken in here.

Shri R. K. Chaudhury: But how do you explain this clause?

Shri Tek Chand (Ambala-Simla): This clause 6, as it is worded, requires a little closer scrutiny which has escaped notice earlier. The words 'Competent to dispose of', require analysis, and assistance is being rendered by the interpretation clause, clause 3(a):

> "a person shall be deemed competent to dispose of property if he has such an estate or interest therein or such general power as would, if he were *sui juris*, enable him to dispose of the property;"

My feelings are that a certain type of property will escape, as for instance, where a person just before his death happens to be struck temporarily with lunacy or insanity. The question is, if such a person, though aged 40 or 50 or thereabout, who had been perfectly sane, becomes insane shortly before his death, is his property likely to escape on the ground that he was not competent to dispose of that property?

Shri A. M. Thomas: What do you say to clause 7(1)?

Shri Tek Chand: Now, the question of competence is of two kinds. Competence is subjective and objective. Objective competence is in relation to property. A person being absolute owner of a property has in relation to that property the capacity to dispose it of. Subjective capacity will be that he should have the requisite mental development, the intention to dispose of that property. If I may express myself in a different language, I say a person must have the *jus disponendi* and also the *animus disponendi*. That is to say, he must have the right to dispose of property, as for instance, where he is the sole owner or absolute owner and, at the same time, he should have the *animus disponendi* or the intention to dispose of. In the case of a child or an insane person, he has not got the *animus disponendi*, though he has the *jus disponendi*. He may be the absolute owner with the power to dispose of, yet he may not be capable of exercising that intention or that state of mind. Therefore, in the case of such a person, there may be a difficulty that he may not be considered to be competent to dispose of property at that precise moment because he has not got that subjective qualification. Therefore, in the case of insane persons who, though of age, they will not be considered as not *sui juris*. The word *sui juris* has been borrowed from English law. I have no doubt in my own mind that it is a most unhappy expression. If we had substituted that, by the expression we have got in section 11 of the Indian Contract Act, 'a person competent to contract', we would have steered clear of the ambiguity......

Mr. Deputy-Speaker: May I ask the hon. Member one thing? Does it apply to minors also? Competency to contract will not arise until a person becomes a major. Therefore, any disability, either incompetency on account of minority or incompetency on account of lunacy, both of them stand on the same footing, so far as the objection under clause 6 is concerned.

But clause 6 does not dispose of all property which is liable to duty; there is clause 7 also, interest passing on the death of the deceased, notwithstanding the fact that the deceased at the time of his death was not competent to dispose of property on account of his disability is covered by 7. Clause 6 is not all comprehensive. Clause 5 is the comprehensive one. It says that all property which passes on the death shall be liable to duty. What are the properties which pass on death? Property which he is competent to dispose of shall be deemed to pass. Property in which he had an interest, apart from the question of any competency to dispose of as in the case of a widow comes under clause 7. Therefore clauses 6, 7 and other sections are an expanded form of clause 5.

Shri Tek Chand: I am alive to that, Sir. My submission is that the words as they are—as I said in view of the unhappy use of the expression *sui juris*,—you are unwittingly drawing a distinction between a minor who is incompetent and a major who is incompetent because of his mental affliction.

Mr. Deputy-Speaker: Where is *sui juris* used here?

Shri Tek Chand: It is in clause 3(a), the interpretation clause:

> "a person shall be deemed competent to dispose of property if he has such an estate or interest therein or such general power as would, if he were *sui juris*, enable him to dispose of the property;"

Now, minor is no doubt not *sui juris*. But can you say that a major who is insane also is in the same category as one not *sui juris*? This is a relative term in contrast to *alieni juris*. *Sui juris* is a person who is subject to his own jurisdiction and an *alieni juris* is a person who is under the jurisdiction of another. In the case of a minor he is not a *sui juris* but is an *alieni juris*. In the case of a major lunatic, in his own person he is *sui juris* and yet not *alieni juris*. Therefore you will be pleased to notice, Sir, that that difficulty may arise because if you had employed the language of section 11 of the Indian Contract Act, then you would have been in a position to draw a sharp line of distinction. Now, the difficulty is there. The difficulty will be on the death of a major who is insane. Therefore, my submission is that unless this.........

Mr. Deputy-Speaker: There is no amendment tabled by the hon. Member. We are not discussing generally. There may be difficulties but my own impression is that according to the interpretation of clause 3(a) it is not every *sui juris* who is entitled to dispose of property. It is 'as if he were a *sui juris* and able to dispose of property'. If he is mad, he is not able to. Therefore all this is unnecessary. There is no use in the hon. Member arguing. There is no amendment tabled by him with respect to which all this discussion can go on.

Shri Tek Chand: That is a different matter. But, my submission is that if that ambiguity or difficulty can be brought to the notice at this stage, they have just now an opportunity to

[Shri Tek Chand]

rectify the error if they are agreed that it is so.

Shri Gadgil: Mr. Trivedi's amendment sabotages the Bill completely. No interest of a dying co-parcener can ever be taxed for purposes of estate duty if it is dependent on his expressing a clear intention of separation. The very fact that he has expressed his intention to separate severs the joint family property and it becomes separate property and by adopting this the intention of the Bill is completely frustrated. It is a very clever amendment.

Shri S. V. Ramaswamy: Sir, it is opposed to the fundamental tenets of Hindu law itself.

An Hon. Member: What is opposed to what?

Mr. Deputy-Speaker: It is opposed to the fundamental principles of Hindu law.

Shri S. V. Ramaswamy: The amendment of Mr. Trivedi is opposed to the principles of Hindu law. According to the Hindu Mitakshara law a co-parcener can alienate his rights.

Mr. Deputy-Speaker: Can he make a gift?

Shri S. V. Ramaswamy: Yes. I am reading from Gour's Hindu Code.

> "A co-parcener other than a manager or a father may alienate his co-parcenary interest."

> "He may alienate or devise his interest if he was, at the moment, the sole-surviving co-parcener."

That is one category of rights.

The second category is this.

> "A co-parcener may alienate his share *inter vivos* though not by sale with the consent, express or implied, of the other co-parceners, including minors, whose consent may be validly given by their fathers or other guardians entitled to give consent."

Proceeding further, he says:

> "A co-parcener everywhere is entitled to alienate his share *inter vivos*, though not by sale, in the following cases, namely, in the provinces of Bombay, Madras and C.P. and Berar, he may alienate it for valuable consideration; in Bengal, subject to the Mitakshara law, the U.P., Bihar and Orissa and the Punjab, he may alienate it for legal necessity or for pious purposes."

> "A co-parcener may, in case of emergency, alienate joint-family property or any part thereof provided that by so doing he does not encroach upon the powers of the manager."

The amendment seeks to cut at the very root of these rights. On that ground I submit that this amendment must be thrown out.

Shri Barman: I will speak a few words on Mr. Trivedi's amendment. It seems to me that Mr. Trivedi's amendment is not proper. He has mentioned that in a Mitakshara joint family if a father is living and his son dies after the eighteenth year of age then his share of the property is liable to duty whereas it is not so in case of other properties *i.e.* properties coming under Dayabhaga or other schools of law.

As clause 7 now stands, in the amendment by the Finance Minister to sub-clause (2) of Clause 7, it has been made quite clear that if a father be living and the son be within his eighteenth year of age, in that case his property will not be taxed. So, that meets partly his case.

Now, in addition to that, if Mr. Trivedi's amendment is accepted by this House, even if the father dies it will not be liable to duty. His amendment says:

> "Provided that such competency shall not be presumed in the case of a Hindu Joint Mitakshara family if the intention to separate had not been expressed by the deceased before his death."

Supposing there is a coparcenary composed of the father, his son or grandson. The father dies. He does not express his intention to separate, then it is not liable to taxation. So I suggest this amendment be accepted in no case.

Mr. Deputy-Speaker: The hon. Finance Minister would like to say something?

Shri C. D. Deshmukh: I have nothing to add to this.

Mr. Deputy-Speaker: The mover does not want the property of any coparcenary to be taxed. That is a simple proposition; the House understands it. The question of "eighteenth year" and other things are only to cloud the issue. His amendment is plain and simple. No property of a member of a co-parcenary shall be taxed on his death because of the principle of survivorship. The principle applies to the entire family.

The question is:

In page 4, *after* line 27, *add*:

"Provided that such competency shall not be presumed in the case of a Hindu Joint Mitakshara family, if the intention to separate had not been expressed by the deceased before his death."

The motion was negatived.

Mr. Deputy-Speaker: The question is:

"That Clause 6 stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

Clause 7. (*Interests ceasing on death*)

Shri S. V. Ramaswamy: I beg to move:

In page 4, *omit* lines 41 to 44.

Shri Tek Chand: I beg to move:

In page 4, line 38, *for* "eighteenth" *substitute* "twenty-first".

In page 4, line 50, *for* "eighteenth" *substitute* "twenty-first".

Shri S. C. Samanta: Sir, I would like to move here, as suggested by you the joint amendment No. 424 tabled against clause 5.

Shri Sarmah: I would also like, as suggested by you, that amendment No. 424, may be considered here. I have already moved that amendment.

Shri N. Somana: I beg to move:

In page 4, line 34, *add* at the end "or any other customary law or local enactment by which partition or alienation of property is prohibited".

Shri S. S. More: Sir, I beg to move:

In page 4, *omit* lines 35 to 40.

In page 4,—

(i) *for* lines 35 to 40, *substitute*—

"*Explanation* 1.—For the purpose of this section every Hindu shall be presumed to be governed by the *Mitakshara* law and a father and his sons governed by *Dayabhaga* law shall be deemed to be constituting a co-parcenary as under *Mitakshara* law"; and

(ii) line 41, *after* "Explanation" *insert* "2".

Shri U. M. Trivedi: I beg to move:

In page 4, line 38,—

(i) *for* "eighteenth" *substitute* "twenty-first"; and

(ii) *after* "eighteenth year" *insert* "and had expressed an intention to separate".

Shri N. C. Chatterjee: Sir, as suggested by you, I would like to move

[Shri N. C. Chatterjee]

my amendment No. 616 tabled against clause 5, which seeks to amend amendment No. 424 by Shri Sarmah and others.

Shri Barman: I beg to move:

In page 4, line 34, *add* at the end, "as if the decreased had exercised his right of separation just before his death."

Shri H. L. Agarawal (Jalaun Distt. *cum* Etawah Distt.—West *cum* Jhansi Distt.—North): I beg to move:

In page 4, line 38, *for* "eighteenth" *substitute* "twenty-first".

Shri C. D. Deshmukh: I beg to move:

In page 4, *for* lines 35 to 40, *substitute*—

> "(2) If a member of a Hindu co-parcenary governed by the Mitakshara school of law dies, then the provisions of sub-section (1) shall apply with respect to the interest of the deceased in the co-parcenary property only—
>
> (a) if the deceased had completed his eighteenth year at the time of his death, or
>
> (b) where he had not completed his eighteenth year at the time of his death, if his father or other male ascendant in the male line was not a co-parcener of the same family at the time of his death."

Mr. Deputy-Speaker: Amendments moved:

In page 4, *omit* lines 41 to 44.

In page 4, line 38, *for* "eighteenth" *substitute* "twenty-first".

In page 4, line 50, *for* "eighteenth" *substitute* "twenty-first".

In page 4, line 34, *add* at the end "or any other customary law or local enactment by which partition or alienation of property is prohibited".

In page 4, *omit* lines 35 to 40.

In page 4,—

(i) *for* lines 35 to 40, *substitute*—

> "*Explanation* 1.—For the purpose of this section every Hindu shall be presumed to be governed by the *Mitakshara* law and a father and his sons governed by *Dayabhaga* law shall be deemed to be constituting a co-parcenary as under *Mitakshara* law" and

(ii) line 41, *after* "Explanation" *insert* "2".

In page 4, line 38,—

(i) *for* "eighteenth" *substitute* "twenty-first"; and

(ii) *after* "eighteenth year" *insert* "and had expressed an intention to separate".

In page 4, line 34, *add* at the end, "as if the deceased had exercised his right of separation just before his death".

In page 4, line 38, *for* "eighteenth" *substitute* "twenty-first".

In page 4, *for* lines 35 to 40, *substitute*—

> "(2) If a member of a Hindu co-parcenary governed by the Mitakshara school of law dies, then the provisions of sub-section (1) shall apply with respect to the interest of the deceased in the co-parcenary property only—
>
> (a) if the deceased had completed his eighteenth year at the time of his death, or
>
> (b) where he had not completed his eighteenth year at the time of his death, if his father or other male ascendant in the male line was not a co-parcener of the same family at the time of his death."

Shri Sarmah: I submit that my amendment is a fundamental one. It is this, that in a taxation measure there should be no discrimination between "citizen" and "citizen" of India. In other words, the incidence of taxation should be equal on all subjects. We all listened to statement made by the Finance Minister with due respect which it is entitled to. Perhaps Shri Deshmukh may have the pleasure of knowing that personally also his statements on the floor of the House command respect as impartial and well reasoned. I have just to quote him saying......

Mr. Deputy-Speaker: What is all this leading to?

Shri Sarmah: The points that I seek to make are two: (a) for eradicating the inequality in distribution of wealth and (b) helping the States for implementing the Five-Year Plan and other nation-building plans. These are the two objects mainly, the discrimination between citizens is unhelpful and injurious. It was stated by the hon. Member, Shri Gadgil that rich people have to be demonetised so that discrepancy in distribution of wealth may not be very great. But I submit that in this Bill there is discrimination which will make his aim infructuous. The hon. Finance Minister was pleased to say "I think it is wrong in the first place to look upon this section as one of discrimination in favour of one or the other. It is really to combat the forces of some inequality somewhere by an operation of a uniform system to un-uniform systems of inheritance".

I submit that here at least in this statement the case has not been fairly stated. Let us face facts. Let us examine how this Bill operates between the coparceners of a joint *Mitakshara* family and others.

Here I beg to repeat with your permission that it is not my purpose to say anything against the privileges or the benefits which are conferred on members of the *Mitakshara* joint family by this Bill. I submit I have nothing at all to say against those who belong to co-parcenary of *Mitakshara* family and are favoured by this Bill.

Shri A. M. Thomas: Your amendment is for their omission.

Shri Sarmah: My friend, nearest to me, Mr. Thomas, is misunderstanding me. "For the purpose of this Act all properties shall be deemed to be governed by the *Mitakshara* system of Hindu law of succession",—this is my simple amendment. It seeks to ensure that all other properties should be deemed to be under the *Mitakshara* system of law, that is to say all other properties will be subject to uniform incidence of Taxation. I presume that majority of the people of India belong to this system of law. Therefore, I thought that it would be easier for all people to be covered by the same measure of taxation and that the incidence of taxation may be the same for everybody if we accept *Mitakshara* as standard. If an amendment is put forward or if it comes from the hon. the Finance Minister suggesting that all people in India should be treated as under the *Dayabhaga* system of law, I shall not object to it. I would welcome it.

So, I want to make it plain and clear, Sir, that the only object of this amendment is that this invidious distinction between citizen and citizen may not be retained in this piece of important fiscal legislation.

I started by saying that perhaps the hon. Finance Minister did not state the case fairly when he said that there was no discrimination but certain hardships due to un-uniform system of law have been sought to be mitigated. Let us examine the position and see how it acts as it is ordained under the present Bill. Let us assume a father with two sons, that is, the minimum in a family. Let me put it like this. A father, with two sons, let us assume, live in the Harrison Road, Calcutta. There is a gentleman by name Purnendu Chaudhuri or Sircar, whatever it is, and another Puranmall Bagaria. Both of them live side by

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side, both of them have earned a little property and both of them die leaving two sons each. Then, let us see what happens.

An Hon. Member: No grandsons?

Shri Sarmah: They have two sons. I am putting it at the irreducible minimum. If we calculate it at four sons or six sons, the difference will be hedious and absolutely unthinkable. But the minimum is taken—a father and two sons.

An Hon. Member: Only sons, no daughters?

Shri Sarmah: I beg to address this House on this important subject and I request the Members to bear with me because I have stated the minimum case—a father and two sons. Let us assume they reside in the Harrison Road, Calcutta,—Bagaria and Mukerjee or Sircar. Both have got two sons, and some property. Let us assume that both of them die. When the gentlemen under the *Dayabhaga* system die, leaving property, the value of which is Rs. 1 lakh, the successors, the two sons, have to pay Rs. 1,250. But the two sons of the *Mitakshara* coparcenary will not have to pay anything. It may be argued that Rs. 1,250 out of a lakh is not much, but we can visualize large number of families belonging to Bengal finding difficulty for Rs. 1,250 cash. It would happen I mean difficulty will be felt in the case of the family which have not been able to compete with others in this postwar competition. Most of us—Assamese and Bengalees—are like that. Let me put it modestly. Even with Rs. 1,250, they will find it extremely difficult to produce in cash. Both the properties, let us assume, are worth Rs. 1,50,000 each. The *Mitakshara* sons do not pay a rupee, but the *Dayabhaga* family pays—the two sons must pay Rs. 5,000 as Estate Duty. If the property left by these two men, other things being equal, were worth Rs. 2 lakhs each, the *Mitakshara* co-parcener sons pay Rs. 843 only. Calculated at the rate of the schedule of Rates that has been placed before us today, the *Dayabhaga* sons have to pay Rs. 10,000 each. May I ask, is it not discrimination? If it is not discrimination, then what else is it?

Again the *Dayabhaga* family does not get the various benefits, that the *Mitakshara* co-parcenery family, gets It is not my purpose to say against these. When I was a student in the school a certain European Inspector of Schools came to our class-room and drew two lines side by side on the black board, one being longer than the other. He then asked a boy "How do you make them equal"? The boy came and wiped out the longer portion of the long line and thus made both the lines equal. The Inspector then drew again two unequal lines and called another boy to the black board and asked him to make both the lines of equal length. The boy drew the shorter line longer and thus made the lines equal in length. The European Inspector said: "That is the right thing. Do not grudge what others have. Do not envy at what others have but try to better your own position". We do not envy. But what I submit is, whether all this disparity in incidence of taxation is discrimination or not. Let us go a step further. Let us assume that both Bagaria and Mukerjee, whatever it is,...

Shri S. C. Samanta: What happens if one son dies in the *Mitakshara* family?

Shri Sarmah: If a son dies, before 18, the property which passes, does not pay. I suppose my hon. friend Mr. Samanta is a father. The dying of a son in the lifetime of a father is an exception. Let us take the normal affair. Let us not think of our sons dying before us. That is abnormal. Now, let us assume they have Rs. 3 lakhs. When the property left by both, amounts to Rs. 3 lakhs, the *Mitakshara* family pays Rs. 2,500. The two sons belonging to *Dayabhaga* family—what will they pay? They will have to pay a duty of Rs. 22,500. Let us go a stage further. When the properties are valued at Rupees five lakhs each the Mitakshara family pays Rs. 6,666, mind you, with only two sons. If there are more sons, five, six or seven, it will be still smaller. But the Dayabhaga family will have to pay Rs. 52,500. May I ask, if it is not discrimination between citizen and citizen in India, what else it is? I have calculated up to Rs. ten lakhs, I do not think of those who get Rs. 10,00,000. They will look after themselves and they can jolly well do it. In the Mitakshara family, for Rs. 10 lakhs worth of property they pay Rs. 27,498, and the Dayabhaga family pays Rs. 1,52,500.

If this discrimination is allowed to continue, what will happen? This is the biggest and the most important point, I wish to submit. If this discrimination is allowed to continue, will not the middle class people say in Bengal, parts of Bihar, parts of Orissa and Assam—I mean those under the Dayābhaga system of law—gradually be ruined? If this process of ruination in the lower middle class families goes on like this, there will be serious repercussions on society. Mind you, these people are not, by and large, business communities. I submit that there are large numbers of business people in Orissa, Bihar, Assam and Bengal, but most of them do not belong to Dayabhaga system. But looking at Gujarat, Bombay, U.P., and the rest of India, it may be safely said that the business community, the wealthy community, generally speaking, is governed more or less by Mitakshara system of law. Now, if this system of discrimination continues, what would be the feeling amongst the people? Here are two families side by side—one is practically going to be destitute and the other is paying a trifle? Those of us who think of India in wider terms, might say it is fate, it does not matter—the money goes to "India" and we will get back in social services. But what about the others? Then again, there will be a lot of people to go and carry on propaganda. "Look here," they may say, "did you not cling to the Congress? This is the consequence!" Then what is the reply to be given? So I beg to submit that the authorities should look into this aspect of the matter—I hope they will see that this discrimination in a fiscal matter, in a taxation measure, will ultimately impair the unity of India and that it will tend to create envy between citizens and citizens—which is to be dreaded and avoided.

[SHRI PATASKAR *in the Chair.*]

Now, Sir, at one time it was stated by Shri Gadgil,—I am sorry he is not in his seat—the difference in laws is there; we have not created it. The law is there; therefore, we have to take the consequences. I propose to quote Mr. Gadgil only, on this subject.

Mr. Chairman: I suggest that more attention may be paid to statements from Government benches.

Shri S. S. More: On a point of information, Sir; is he not part of the Government for this measure at least?

Mr. Chairman: I would suggest to the hon. Member not to harp on one non-official Member.

Shri Sarmah: I was once discussing this measure with our leader. He listened to me and said "speak to Gadgil" and I carried the impression that if only I could impress my point on Mr. Gadgil and convince him, I would have my point of view accepted.

Shri A. M. Thomas: Why should you give him undue importance?

Shri Sarmah: He is already an important person—it is not for me to give him, or not to give him, importance. Shri Gadgil said: "We have not created this discrimination; we have not devised the Mitakshara system of law and we have not devised the Dayabhaga system of law". But I would just invite the attention of Shri Gadgil to what he stated on a previous occasion as regards the Dayabhaga people who are to undergo this hardship because they happen to belong to Dayabhaga.

> "Although some citizens in India belong to Dayabhaga system of

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law, Parliament has ample power to make redress".

And in my support, I propose to quote him. He said on the 6th November 1952:

> "If the Hindu law is affected, it is affected. It is not laid down anywhere in the Constitution that if any law is to be amended, it must be done by directly amending that Act. It can well be done by amending another Act. The objection is not correct."

It is nowhere laid down that a Hindu Code has to be brought in to do away with any inequality, if there is any.

Again, speaking on the 7th November, Mr. Gadgil said: "This does not offend against the spirit of the Hindu law, though it does, according to me, offend some of the texts. We are after all moving what has been laid down days before. It is not like the laws of Medes, and the Hersians eternal law, unchangeable and inflexible".

Sometimes quotations of one's own speeches are unpalatable. I am not quoting these to irritate my hon. friend Mr. Gadgil. I am quoting these just to convince him of our point of view. We want place in his truck. If, even after this he refuses to give us quarters, I fear that he will feel crowded even in Heaven.

An. Hon. Member: He does not want to go to Heaven.

Shri Sarmah: Mr. Gadgil continued:

> "After all law is the reflection of what the community thinks from time to time and considers to be in the best interests of the country. It is the function of the legislature to see that the gap between the public morality and the law is reduced as early as possible. If public opinion is very much in advance, then legislation must step in and see gradually, if possible, that this gap is removed and the needs of the present society fulfilled."

I submit the need of the present society is that there should be no discrimination between citizen and citizen in India in the matter of taxation. That is the present day need of the society. Nobody can shut his eyes to the fact that taxation measures and social conditions are intervened. In the modern world taxation gives shape to the economy of the society and the economy of a society affects the shape of the society itself. So that, how can you afford to neglect such an important factor?

Another difficulty that has been held out is that it is difficult to fit in the two. There are the Hindu systems of Mitakshara and Dayabhaga. Then there are the Muslims and the Christians. How can you adapt all these communities into one uniform measure? The hon. the Deputy-Speaker also asked me: "Is your amendment for the Muslims and Christians as well?" I say that if the Muslims and Christians consider that their inheritance is strictly personal law and they do not want to budge, then I have nothing to say. I do not speak for them. But my point is that there should be no discrimination. If somebody wants discrimination, I have nothing to say. But I take it that no reasonable man, no sensible person will seek for discrimination on this taxation subject.

The other point that was sought to be made by Mr. Gadgil was this: it is difficult to frame a uniform legislation under this diversity of laws. In this connection, I cannot do better than quote the learned Chairman. One difficulty that has been raised from time to time is this: "Well the Mitakshara system of law is different; the Dayabhaga system of law is different: how can you bring in both the things together?" In reply to that I would say that India is not bankrupt of legal acumen, so that we cannot adapt the different systems into one in the matter of taxation. Speaking on the

12th August 1953, hon. Member Shri Pataskar said:

> "To my mind it appears that it would not be difficult for us to remove this anomaly. If at all we want to pass a measure of this kind, then I agree with my hon. friend Mr. More in saying that there is no justification for this difference. We can make adequate and suitable provisions by which the measure can be made applicable equally to all, whether they belong to the *Mitakshara* or the *Dayabhaga* school of thought. To that extent, there will naturally be an objection that we are affecting the Hindu Law. But as has already been pointed out, the Hindu law is not a thing which is so sacrosanct that it has not changed in the past or that it will not change in the future. I think therefore it should not have been beyond the powers of the framers of this legislation, to introduce provisions which would have made the measure applicable uniformly to all sections of the population, thereby preventing any feelings of partiality to any one particular school. Unfortunately that has not been done, and the only reason to my mind for not doing so is that perhaps there is a fear that some sections of our population who oppose the Hindu Code Bill might probably have tried to oppose this Bill also. But if there is a desire to carry out a certain thing, and if there is a desire to wound, then there must not be any hesitation to strike. So, if it was found desirable to make it uniform, I think it could have been possible to do so."

I cannot improve upon this statement. In the circumstances I submit that the Government will be pleased to reconsider this whole matter. I am not entertaining much hope that I would succeed in carrying this amendment through. But I hope and trust that reason would appeal to Shri Deshmukhji.

Personally I am not affected by this Bill. But if this distinction between the people following the *Dayabhaga* system and Muslims and Christians on the one hand and the large section of the population in India following the *Mitakshara* system on the other is allowed to continue, gradually a feeling between one section against another will grow and this will considerably impair the unity of India. You want India to be one and unified. But if there are two families living side by side and if one family is in the process of liquidation and the other family is going along well, would this encourage a feeling of oneness in the boat? What would a man think in the interior of, say, Assam or Orissa. There may be a *baniya* belonging to the *Mitakshara* system. There may be another businessman, an Oriya or a Bengali, having almost the same property. When he finds that his property is practically liquidated while the other man goes along well, what will be his feeling? What are we going to say to our people when our opponents will go and do a raging and tearing propaganda in Bengal and in the other places: "Look here, you supported and voted the Congresswallahs, what did they do? In the Delhi durbar they sold you out". The consequence of this differentiation is not at all calculated to be a healthy one. There should be equality in the incidence of taxation between both these classes of people.

The sentence that was uttered by Shri Gadgil will ring in our ears for a long time "We want to demonetise the rich". Is this legislation really tending to demonetise the rich or is it going to pauperize the middle class people in Bengal, Bihar and Assam? What is it? I would expect that Shri Gadgil would give a straight answer to my simple question. He does not care. It was a very catchy sentence: "We want to demonetise the rich". We felt elated to hear it and thought perhaps in our lifetime there is going to be economic equality between Indian and Indian, that the difference between rich and poor will not be so telling that one goes by a

[**Shri Sarmah**]

beautiful car and another has not got the wherewithal even to go by bus. But is the plan that he is following relentlessly going to "demonetise" the rich? If so when?

In taxation of income almost everybody finds, that the tax......

Shri K. K. Basu: Does it apply to the hon. Member himself?

Shri Sarmah: No. The tax is mostly paid by the honest and the ignorant. The honest, because they feel that they ought to pay the tax to the State which is due to the State—because the rich man could not have earned his profit if he was not granted the security by the State; otherwise no man can make any profit. So the honest man perhaps thinks "let me give the State its due share". And the ignorant—who does not know that from the day of starting of his business he should keep three *khatas*, one for his own purpose, another to deal with other business people, and the third for Income-tax purposes. After all is said and done—I do not want to make any sweeping remark—but generally speaking it is true to say that it is only the honest and the ignorant who pay Income-tax. And when the Estate Duty comes, there will be a third class of people who would get some sort of a shelter somewhere. I mean the rich class. In capitalist order of society law somehow offers soothing interpretations and authorities bandy back-doors for escape for rich people. Is that shelter going to demonetise the rich people? I hope that we shall have that blessed day during our lifetime. Because I for one believe that if we do not demonetise the rich non-violently, the day is not far distant in India when the rich will be demonetised violently. We do not subscribe to violence. Therefore I submit that this Bill is welcomed by all sections of people in all its implications. All that I say is that this Bill has a pernicious effect on India as a whole and if this invidious distinction between citizen and citizen is not annulled well betimes, it will be deep-rooted and things will be worse.

As I stated, I am not concerned with the limits of exemption. That is a different matter. At the present stage all that I submit for the consideration of Government is that there should be no discrimination. There is not only discrimination, but, if I may be permitted to say, there is atrocious distinction and this atrocious distinction will eat into the vitals of India.

Shri A. M. Thomas *rose*—

Shri R. K. Chaudhury: It is seven, let us adjourn.

Mr. Chairman: I would like to ascertain the sense of the House. I think we can easily continue till 7-30.

Shri N. C. Chatterjee: I may remind you, Sir, that we have decided that on the third day, that is tomorrow, if we do not finish our quota, that is upto clause 29, we will have to sit till nine or half past nine. Of course the Finance Minister will stand us a dinner! He has promised us. Anyhow let us adjourn and finish the clause tomorrow morning and then finish the rest.

Shri R. K. Chaudhury: Sir, do you realise this point at least that this morning those people who were working for us, those Government servants who were working for us, came without any notice of having to spend their evening here. They came at 7-30 this morning and you want to keep them engaged till 7-30 in the evening. If they had had notice they might have come prepared and brought something to eat. This is very selfish I should say.

Mr. Chairman: I am quite willing to abide by the sense of the House. But the hon. Member Mr. Chatterjee said that there is some sort of arrangement by which we have to finish certain clauses by tomorrow. So what might happen is that probably at the fag end there will be less discussion of certain important matters.

An Hon. Member: That will be an advantage.

Mr. Chairman: I do not know. However, now that the general sense is that we should adjourn at 7 o'clock, I have no objection and we shall meet tomorrow morning.

Shri A. M. Thomas: Sir, I am on my legs.

Shri S. S. More: May I make a further suggestion that necessary notice may be given to the staff that tomorrow they will have to be here till 9-30.

Mr. Chairman: The staff will take all possible precautions and notice. But hon. Members should concentrate more on the fact that we have to finish certain clauses by tomorrow evening. From that point of view I would have been happy for staying for some time more now rather than tomorrow.

Shri Tulsidas: In the Business Advisory Committee it was decided that three days should be given for clauses 2 to 29. But we have lost one hour because yesterday we had the other discussion.

Mr. Chairman: That will be made up.

Shri Tulsidas: I take it that the day after it will be made up.

Mr. Chairman: The House will now stand adjourned till 8-15 A.M. tomorrow, and the hon. Member Shri A. M. Thomas will begin tomorrow.

The House then adjourned till a Quarter Past Eight of the Clock on Friday, the 4th September, 1953.